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DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, 2013

MAY 23, 2012.—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. 5855]

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, 2013.

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The accompanying bill contains recommendations for new budget (obligational) authority for fiscal year 2013 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 2012:

[In thousands of dollars]

Title	New budget (obligational) authority fiscal year 2012	Budget estimates of new (obligational) authority, fiscal year 2013	Recommended by the House	House compared with	
				New budget authority fiscal year 2012	Budget estimate, fiscal year 2013
Title I: Departmental Management and Operations	$1,131,974	$1,278,624	$1,052,928	−$79,046	−$225,696
Title II: Security, Enforcement and Investigations	33,225,418	32,182,492	32,360,917	−864,501	178,425
Title III: Protection, Preparedness, Response and Recovery	12,079,869	11,392,128	11,388,755	−691,114	−3,373
Title IV: Research, Development, Training and Services	1,331,837	1,560,747	1,510,032	178,195	−50,715
Title V: General Provisions	−70,713	−−−	−292,159	−221,446	−292,159
Grand total	47,698,385	46,413,991	46,020,473	−1,677,912	−393,518
Total	$39,600,228	$39,509,991	$39,116,473	−$483,755	−$393,518

Note: The above amounts are regular discretionary only.

Summary of Major Recommendations in the Bill

The Committee recommends $39,116,473,000 in discretionary resources for the Department of Homeland Security for fiscal year 2013, $393,518,000, or 1 percent, below the amount requested and $483,755,000, or 1.2 percent, below fiscal year 2012 enacted levels (excluding emergency funding and disaster relief adjustments). Unlike previous years, funding for the Coast Guard's support of the Global War on Terror / Overseas Contingency Operations are not included in the bill and are instead provided via permissive transfer of $254,461,000 from Department of Defense, Navy, Operations & Maintenance.

The Committee report refers to the following laws as follows: Implementing Recommendations of the 9/11 Commission Act of 2007, Public Law 110–53, is referenced as the 9/11 Act; Security and Accountability for Every Port Act of 2006, Public Law 109–347, is referenced as the SAFE Port Act; and the American Recovery and Reinvestment Act of 2009, Public Law 111–5, is referenced as ARRA.

Priorities in the Bill

The Department of Homeland Security (DHS) is entering a new era. Evolving threats and urgent budget realities demand that DHS be more agile in executing its key missions, including its paramount goal of protecting the Nation from acts of terrorism. In fiscal year 2013, DHS will observe its tenth anniversary, marking the end of a decade in which the young Department, created in the

wake of the 9/11 attacks, faced extraordinary operational and organizational challenges. In addition to the charge of safeguarding America against diverse and relentless adversaries, the Department found itself saddled with inefficiencies, misaligned functions, bureaucratic tendencies, and uneven capabilities to meet its vital mission. While changes have been made to strengthen and streamline DHS, much work remains to be done.

The Committee's fiscal year 2013 bill aims to build on progress last year to develop a more effective and efficient Department by emphasizing fiscal discipline, reducing overall discretionary spending from the fiscal year 2012 enacted level, sustaining essential DHS frontline operations, strengthening oversight and accountability, and increasing support for grants and research programs. The Committee seeks to position DHS to combat the threats of the 21st Century while also ensuring that the Department is especially diligent in its use of limited taxpayer dollars. The bill supports these goals by reducing unnecessary overhead, directing more effective alignment of key Departmental functions, and improving DHS capabilities through smarter, risk-based investments.

The Committee faced significant hurdles in crafting its recommendations due to glaring shortfalls in the President's fiscal year 2013 budget request. First, the Committee was forced to find $115,000,000 in offsets to make up for the budget request's persistent and flawed assumption of increased aviation passenger fee collections, since such fees have not been authorized by Congress and are not in the jurisdiction of the Committee, as the Committee informed DHS when it proposed a similar increase in fiscal year 2012. Furthermore, the request created a hole of $110,000,000 through a flaw related to U.S. Customs and Border Protection's (CBP) access to fee collections. The Committee notes where it was forced to offset these budget gimmicks and inadequacies throughout this report. Finally, the Department has failed to comply with nearly all of the statutory reporting requirements contained in Public Law 112–74 and forced the Committee to make many funding determinations with insufficient information on program projections, planned expenditures, execution, and alignment to stated goals and mission requirements. The Department's inexcusable failures to comply with the law are addressed assertively throughout the bill.

FISCAL DISCIPLINE

While the Department is charged with countering serious threats to our security, the Nation faces another, perhaps even greater threat. This threat lies not in foreign countries or from unseen enemies, but here at home, where America's fiscal situation remains unsustainable. In light of this enormous challenge, the Committee recommends reducing overall spending nearly $500,000,000 below fiscal year 2012; marking the third straight fiscal year where discretionary spending for DHS has been reduced from the previous fiscal year's enacted level. These reductions are made not only to help restore America's fiscal health, but also to compel the Department to address inefficiencies in a bureaucracy that has seen substantial and greater-than-inflationary growth since its creation. The vital importance of the Department's mission does not make it immune from fiscal discipline.

The Committee categorically rejects the false "tradeoff" between security and spending restraint. The Committee's recommendations are intended to force the Department to make wiser investment decisions with limited resources that will ultimately deliver better capabilities and result in improving the Nation's security posture. The Committee will not tolerate programs that are underperforming or failing to achieve desired outcomes, which is why the bill makes responsible and targeted reductions where taxpayers are not seeing results.

Moreover, the Committee makes recommendations to instill fiscal discipline at DHS over the long term by reducing bureaucratic overhead and forcing the Department to revisit costly acquisitions that may need to be modified to provide better value to taxpayers. The bill also compels the Department to more clearly link funding requests to mission requirements and to provide a better accounting of results before seeking additional funding for programs with a questionable or mixed track record. Finally, the Committee recommends denying DHS requests to expand its bureaucracy through new stand-alone offices and instead forces the Department to look at consolidations across a number of overlapping and duplicative programs.

SUSTAINING FRONTLINE AND HIGH-RISK OPERATIONS

The bill prioritizes sustainment of vital frontline operations and personnel across the Department and provides targeted funding enhancements above the President's budget request for certain activities, as noted in relevant sections throughout the report. The Committee recommends funding levels to support and sustain ample staffing levels of Border Patrol agents, CBP officers, Immigration and Customs Enforcement (ICE) agents, active duty Coast Guard military personnel, Secret Service agents, disaster response specialists, and intelligence analysts.

Specifically, the bill continues the Committee's unwavering commitment to providing necessary resources to secure our Nation's borders and enforce our customs and immigration laws. Increases are provided to bolster operations and investigative capability for countering human trafficking, protecting intellectual property rights, and combatting electronic crimes. A total of $11,683,317,000 is recommended for CBP, an increase of $76,999,000 above the President's budget request, when adjusted for proposed transfers and realignments. This funding sustains the highest level of Border Patrol agents and CBP officers in history and includes: $327,099,000 for border fencing, infrastructure, and technology; $518,469,000 for air and marine interdiction; and $252,567,000 for the maintenance of CBP facilities. The Committee also recommends $5,785,656,000 for ICE, an increase of $141,595,000 above the request, and sustains 34,000 detention beds—the greatest detention capacity in ICE's history—as well as funding for the 287(g) program, denying the President's requests for a reduction in these crucial enforcement areas.

The Committee also seeks to bolster the frontlines of America's security across cyber, air, and maritime domains. For example, the bill includes $564,038,000, an increase of $300,038,000 above fiscal year 2012, for cyber diagnostics and intrusion detection capabilities that will allow DHS to better protect Federal networks from for-

eign espionage and cyber-attacks. Additionally, the bill increases funds for investigation of electronic crimes. The bill also supports efforts to move toward more targeted, risk-based screening in the aviation sector, retains a cap on Transportation Security Administration (TSA) screener personnel, and shifts more resources towards privatized screening. In the Coast Guard, the Committee recommends robust funding for critical acquisitions such as additional rotary wing and fixed wing aircraft and initial procurement of a seventh National Security Cutter to recapitalize the Coast Guard's aging assets by using funds more effectively while at the same time providing greater capability.

ACCOUNTABILITY, OVERSIGHT, AND REFORM

The Committee recommends decisive action to improve accountability in fiscal year 2013, including withholding funds from Departmental management offices until the Secretary submits to the Committee statutorily required reports and plans that are due at the time of the President's fiscal year 2014 budget submission. The Department has been egregiously late in responding to Congressional direction, including failing to submit the majority of statutorily required reports on time. This failure to comply with the law is wholly unacceptable. The Committee represents the American people and serves as a steward to conduct oversight of U.S. Government agencies. The investment plans, expenditure plans, reports, and justifications outlined by the Committee are essential if it is to help DHS better protect the American people and live up to exacting standards of fiscal responsibility. By flouting Congressional requirements, the Department is effectively disregarding the taxpayers' right to see whether or not their scarce dollars are spent wisely. Additional reductions are taken throughout the Department to demonstrate the seriousness of compliance and to compel DHS leadership to develop greater responsiveness to statutory requirements and Congressional requests.

In fiscal year 2013, the Committee recommends continuing major reforms put in place in fiscal year 2012 and recommends new actions to streamline and strengthen the Department. The bill rejects the unauthorized grant proposal submitted in the budget, and, instead, the Committee recommends continuing last year's reform that consolidates FEMA grant programs and emphasizes that limited Federal dollars must be applied to areas of highest risk. The Committee further strengthens its stringent oversight of the Disaster Relief Fund by continuing annual and monthly reporting requirements and instituting significant reform for debris removal to enable and empower local communities' efforts to respond to disasters at substantially lower costs to the taxpayer. The Committee rejects and reforms inefficient budgeting for Coast Guard acquisitions by aligning funding to requirements based on the fiscal year of need. Specifically, the bill includes language defining "full funding" so that funds do not remain unused and languish for years. The Committee also rejects the Department's request to remove functions from the Office of Policy to create three additional, standalone offices. This request for additional, direct reports is inconsistent with the goal of a more consolidated Department with lower bureaucratic overhead and is, therefore, not approved. Furthermore, the Committee recommends better alignment of specific func-

tions within the Department and the budget, such as biometric identity management and automation modernization, and requires DHS to examine opportunities to better organize its efforts to counter weapons of mass destruction.

In conclusion, the Committee's intent is to prioritize funding for frontline security operations; enable the Department to rapidly and responsibly acquire much needed operational capabilities; equip the Department to address long-standing Federal network security vulnerabilities; push the Department to set clear and well-reasoned priorities that align to stated mission requirements; and require the Department to practice sound financial and program management that disciplines funding and aligns resources to results in terms of improved security. Moreover, the bill mandates that the Department budget adequately for known and expected costs of operations, including disaster relief; strengthens vital preparedness and response partnerships between Federal, State, local, tribal, and private sector entities; and moves the Department toward the lean and responsive organization it was envisioned to be when it was established in 2003. The Committee remains deeply committed to helping the Department confront emergent homeland security threats, and, looking forward, cites the strength of America's resolve as evidence that this Nation will be undaunted in tackling the unforeseen challenges of the future.

TITLE I—DEPARTMENTAL MANAGEMENT AND OPERATIONS

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

Appropriation, fiscal year 2012	$133,159,000
Budget request, fiscal year 2013	134,150,000
Recommended in the bill	121,850,000
Bill compared with:	
Appropriation, fiscal year 2012	−11,309,000
Budget request, fiscal year 2013	−12,300,000

MISSION

The mission of the Office of the Secretary and Executive Management (OSEM) is to provide efficient services to 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 $121,850,000 for OSEM, $12,300,000 below the amount requested and $11,309,000 below the amount provided in fiscal year 2012. No funding is included for a proposed civilian 2013 pay raise. This includes $45,000 for official representation and reception allowances, $6,000 below the request.

Unless otherwise noted below, the recommendation reflects reductions in funding needed to offset significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropria-

tions, (2) a flawed budget request regarding CBP's access to fee collections, and (3) failure to comply with statutory requirements. In addition, the reductions reflect Committee dissatisfaction with inconsistent or incomplete responses by the Department to Committee requests for information. The bill also withholds $5,000,000 from obligation for the Office of General Counsel until a final overseas aircraft repair station security regulation has been published, as discussed in the section of this report dealing with TSA.

In addition, in light of the Department's chronic delays in submitting statutorily required reports and plans, the bill withholds $71,079,000 from obligation until the Committee receives all reports that are, by statute, required to be submitted with or in conjunction with the fiscal year 2014 budget request.

To enable better oversight of expenditures and personnel changes within OSEM, the Committee has provided separate funding recommendations for each program, project, and activity (PPA) as follows:

	Budget Estimate	Recommended
Immediate Office of the Secretary	$4,295,000	$3,850,000
Immediate Office of the Deputy Secretary	2,387,000	2,140,000
Office of the Chief of Staff	2,498,000	2,250,000
Executive Secretary	7,993,000	7,190,000
Office of Policy	33,678,000	41,240,000
Office of Public Affairs	5,966,000	5,300,000
Office of Legislative Affairs	6,041,000	5,400,000
Office of Intergovernmental Affairs	2,648,000	2,380,000
Office of General Counsel	21,947,000	19,750,000
Office for Civil Rights and Civil Liberties	21,716,000	19,500,000
Citizenship and Immigration Services Ombudsman	5,950,000	5,350,000
Privacy Officer	8,387,000	7,500,000
Office of International Affairs	8,001,000	– – –
Office of State and Local Law Enforcement	892,000	– – –
Private Sector Office	1,751,000	– – –
Total, OSEM	$134,150,000	$121,850,000

The Committee disagrees with the proposed addition of three new, direct-reporting entities within OSEM, including the Office of International Affairs (OIA), the Office of State and Local Law Enforcement (SLLE), and the Private Sector Office (PSO). This proposal is inconsistent with the goal of a more streamlined department and of reducing administrative overhead. Additionally, the Committee views international affairs policy formulation and coordination as an inherently appropriate function of the Office of Policy and directs that it should remain as such. The Committee, therefore, denies the proposed breakout of these three offices and directs that they remain elements of the Office of Policy.

However, the Committee notes that SLLE and PSO have a different character than the Office of Policy and OIA, as they are primarily liaison and outreach offices. The Committee, therefore, directs the Department to report no later than 90 days after the date of enactment of this Act on the potential of establishing an external affairs office that might include, consolidate, and streamline the PSO and SLLE functions, and those of other existing external affairs offices (namely the Offices of Legislative Affairs, Intergovernmental Affairs, and Public Affairs) that currently report to the Secretary. Establishment of such an umbrella organization would streamline administrative functions while allowing the external af-

fairs entities to focus on unique constituencies and better coordinate communications with those constituencies and internally within the Department. The Committee does not suggest any diminution of stakeholder access or priority of any external affairs office through this proposal. It is notable that none of the offices suggested are headed by Senate-confirmed positions.

OFFICE OF POLICY

The Committee recommends $41,240,000 for the Office of Policy, $7,562,000 above the amount requested and $1,240,000 above the amount provided in fiscal year 2012. Funding for this office includes OIA, SLLE, and PSO as noted in the previous paragraph. The Committee expects the Office of Policy to engage with components and offices in setting, tracking progress of, and implementing DHS strategic planning and policy guidance across the entire spectrum of homeland security activities, in particular to support Department components in their own and in cross-component efforts. The Committee directs the Department to provide, with the submission of its fiscal year 2014 budget request, a detailed expenditure 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 improve oversight of operations and priorities of the Office, the Committee directs the Department to report no later than December 1, 2012 on fiscal year 2012 travel by political employees of the Office of Policy, listing dates, destinations, purposes, and costs by trip.

The Committee directs the Department to ensure that the Office of Policy is a full participant in interagency discussions on visa policy matters, consistent with DHS authorities.

OFFICE FOR CIVIL RIGHTS AND CIVIL LIBERTIES

The Committee recommends $19,500,000 for the Office for Civil Rights and Civil Liberties (CRCL), $2,216,000 below the amount requested and $3,000,000 below the amount provided in fiscal year 2012. Part of this reduction reflects, as noted above, the need to offset significant budget shortfalls created by assumptions of unauthorized and inaccessible fee revenue. In addition, the Committee expects the Department to ensure that CRCL efforts complement, but do not duplicate, those of the Office of Inspector General or watchdog elements of components, such as the Office of Professional Responsibility in ICE. It has come to the attention of the Committee that there is significant overlap in the oversight efforts of these different organizations that results in duplicative demands on ICE resources, potentially at the expense of operations.

The Committee is aware that CRCL submits annual reports to Congress, but it is dissatisfied with their lateness. The most recent report, for fiscal year 2010, was received in September 2011. In order to afford the Committee current understanding of the work, priorities, and funding requirements of the Office, the Committee directs CRCL to provide a briefing no later than 60 days after the date of enactment of this Act on CRCL operations in fiscal year 2012 and planned for fiscal year 2013. The briefing should cover workload, and staffing associated with different core functions and missions; travel; publications; and measures of performance associated with execution of CRCL statutory responsibilities.

USER FEES

The Committee remains concerned about the management of user fee revenue, with concomitant impacts on components that depend on them to fund positions and operations. The Department's limited ability to anticipate or compensate for uncertainty in fee revenue or its application has been a continuing complication for budgetary and program planning. The conference report accompanying Public Law 111–83 directed the Department to submit a contingency plan, which has yet to be submitted, to address gaps between actual and budgeted collections. The Committee directs the Secretary to submit that plan as soon as possible and to provide the Committee a revised plan no later than 90 days after the date of enactment of this Act and on an annual basis thereafter. The Department shall continue to provide information on fee collections and balances on a quarterly basis with the first fiscal year 2013 report due no later than January 30, 2013. Additional concerns regarding user fee revenues specific to CBP and USCIS are addressed later in the report.

EXPENDITURE PLANS

Throughout this bill and report, the Committee has included language requiring the Department and components to submit expenditure and obligation plans for significant investment programs or programs for which there is a need for sustained visibility into planning and execution of important milestones. Such plans are vital to the Committee's oversight work, yet in far too many instances such plans—which should reflect decisions already made by the Department to align current program priorities with resources—have been inexcusably late, incomplete, or have not yet been submitted at all. In some cases, expenditure plans that should have been submitted at the beginning of a fiscal year to show how the Department planned to expend its funding, instead have been submitted well after the end of the fiscal year. Such poor responsiveness and compliance is intolerable and reflects poorly on the Department. Throughout the bill, considerable reductions from the request are recommended because of the Department's lack of responsiveness toward Congressional requirements like these. Moreover, the Committee withholds funds to compel the Department to ensure plans are submitted timely to the Committees on Appropriations.

QUARTERLY REPORTS AND OTHER INFORMATION REQUIREMENTS

The Department is directed to continue to send quarterly reports as specified under this heading in the Joint Explanatory Statement accompanying Public Law 112–74, in particular the Border Security Status Reports, the Secure Communities Quarterly Reports, and the Detention and Removal Operations Quarterly. The Committee directs DHS to include in the Border Security Status Reports unique apprehensions by Border Patrol and enforcement actions associated with ICE apprehensions. Further, as CBP refines its statistics associated with the impact of the consequence delivery programs on recidivism rates, CBP must report that information in the Border Security Status Reports by Border Patrol sector.

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, and criminal prosecution; their findings regarding the effectiveness of these measures in reducing recidivism; and their plans for expansion of any of these activities as a result of their findings.

The Committee notes with concern that the recently released 2012–2016 Border Patrol Strategic Plan makes no reference to operational control or other specific metrics to evaluate border security other than the so-called "border condition index" that has yet to be deployed. This is unacceptable. The Department is directed to resume utilizing the number of border miles under operational control—also referred to as effective control—as a performance measure in the Department's Annual Performance Plan as required by the Government Performance and Results Act and resume reporting the progress and status of achieving operational control using the definitions included in the 2004 Border Patrol Strategic Plan and in a manner and under methodology utilized in the inclusion of the measure in the Fiscal Years 2008–2010 Department of Homeland Security Annual Performance Report and as calculated by the Department through the end of fiscal year 2010. This performance measure remains in place until other measures are either set by law or agreed upon with the Committee.

STATUTORILY REQUIRED REPORTS

The Committee's recommendations throughout this bill reflect reductions in funding due to the Department's failure to comply with statutory reporting requirements. These reductions reflect the Committee's dissatisfaction with late, inconsistent, or incomplete responses by the Department of statutorily required information for fiscal years 2012 and beyond. The Committee expects the Department to comply with these statutory requirements, with regard to both content and schedule. The Committee notes that the majority of statutorily required reports and plans are presently more than three months late and the failure of the Department to provide these plans on time is concerning. In too many instances such reports have been incomplete, or submitted either late or not at all. The Committee finds this failure to comply with the law unacceptable and it will not tolerate such disregard by the Department for statutory reporting requirements. Accordingly, the Committee has included bill language making a total of $224,421,000 unavailable for obligation by OSEM, the Office of the Under Secretary for Management (USM), and the Office of Chief Financial Officer (CFO) until the Secretary of Homeland Security submits to the Committees all statutorily required reports and plans that are due with the submission of the President's budget for fiscal year 2014.

Furthermore, the Committee strongly encourages the Department to undertake a review of its processes to ensure that the proper protocols are in place within OSEM, USM, and CFO to prevent future delays and to hold the Department accountable for the content in statutorily required reports.

OFFICE OF IMMIGRATION STATISTICS

The Committee understands the Office of Policy plans to broaden the responsibilities of the Office of Immigration Statistics to include oversight of statistical and data issues across the Department's area of responsibility, including data related to the secure movement of goods and conveyances as well as other facets of the movement of people. While the Committee believes this could prove a valuable undertaking, the Committee expects to continue to see immigration statistics and their collection remain the core office mission. The Committee has long sought complete, accurate, and reliable reporting of immigration enforcement data—an effort that continues this year. The Office of Immigration Statistics is taking the lead in coordinating the Department's data collection and reporting challenges related to immigration enforcement as well as developing the plan to address those issues. The Committee directs the Office of Immigration Statistics, in conjunction with all the relevant DHS components, to brief the Committee no later than October 1, 2012 on progress regarding collection and reporting of complete immigration enforcement statistics.

CONSOLIDATION OF WEAPONS OF MASS DESTRUCTION DEFENSE PROGRAMS

Across the U.S. Government, departments and agencies have combined their programs which deal with chemical, biological, radiological, and nuclear (CBRN) threats into more centralized offices, providing clearer focal points for policy and programs to counter weapons of mass destruction (WMD). The Committee finds, however, that DHS WMD programs are not similarly aligned, possibly impairing the Department's strategic direction on the issue. Unlike others in the interagency community, DHS WMD programs continue to be spread across many offices with duplicative and overlapping functions. There is confusion, for example, over which components are the "lead" in certain incidents involving CBRN agents and also over which are responsible for research and development to detect those agents. As a result, DHS programs have failed to satisfactorily fulfill Congressional and Presidential mandates to develop robust capabilities to detect WMD threats aimed against U.S. interests.

The Committee is also concerned that the current alignment of WMD programs causes policy coordination problems within DHS and in the interagency community. Inside the Department, coordination is ad hoc and intermittent, with limited cooperation between certain offices and limited awareness of what each is doing in the WMD defense mission space. Because DHS's mission space is not consolidated, DHS views on CBRN issues are presented in divergent and sometimes conflicting ways in interagency meetings, impairing the Department's cooperation with key partners. Moreover, outsiders often find themselves engaging with the wrong components because of unclear lanes of responsibility.

Particularly noteworthy is the separation of the Domestic Nuclear Detection Office (DNDO), responsible for monitoring radiological and nuclear threats, and the Office of Health Affairs (OHA), responsible for monitoring chemical and biological threats. Together, these components are charged with developing the core of

the Department's WMD detection capabilities and, in coordination with operating agencies, monitoring the threat landscape to detect potential attacks. Both organizations have related missions and have faced similar dilemmas in developing better situational awareness of CBRN detection assets. Yet the two offices remain separate.

The success of DHS WMD defense activities is critical to our Nation's ability to detect CBRN threats and protect Americans from them. In light of historic budget cuts designed to restore America's fiscal health, DHS must make use of limited resources as efficiently as possible to protect the Homeland. Responsible consolidations that make sense programmatically could improve DHS WMD defense programs and save taxpayer dollars. The Committee believes that the Department's WMD programs could be better aligned through consolidation, both to improve the Nation's defense against WMD threats and for the sake of fiscal responsibility.

The Committee contends that consolidation of the WMD defense activities at DNDO and OHA could be an important step forward in realigning the Department's WMD defense programs to improve homeland security. Specifically, consolidation could provide greater awareness and coordination within DHS and the interagency by creating a more visible focal point for counter-WMD coordination and strategic planning. The Committee notes further that merging these two offices could provide cost savings through programmatic synergies and administrative efficiencies. A combined office could align key CBRN detection functions in the same place, including: requirements generation, acquisitions, global detection architecture planning, and detection monitoring. Moreover, there may be efficiencies from reconciling overlapping functions performed by each office, such as administration, budgeting, intelligence, international engagement, operations support, policy formulation, risk assessments, training of first responders, and State and local outreach.

The Committee, therefore, directs the Secretary to develop a consolidation plan no later than 180 days after the date of enactment of this Act to merge DNDO and OHA into an Office of Weapons of Mass Destruction Defense for fiscal year 2014 and to submit this plan to the Committee, the House Committee on Homeland Security, and appropriate authorizing committees of jurisdiction. This plan shall include a transition process, organizational structure, budget structure, and spend plan needed to establish the Office and should detail all operational and administrative synergies and efficiencies expected to be gained from consolidation. Moreover, the Committee directs that the proposed budget for the Office identify meaningful cost savings over the amounts recommended for fiscal year 2013 by the Committee for the WMD defense operations of DNDO and OHA.

The Secretary shall also take a more holistic approach toward realignment by considering and describing any functions proposed to be transferred into the new Office from elsewhere in the Department to better align the WMD portfolio. The Committee further directs that the Secretary's plan consider and detail the impacts of realigning certain functions outside of the new Office, such as DNDO's research and development activities; DNDO's Standards, Testing, and Evaluation functions; the National Technical Nuclear Forensics Center; OHA's Workforce Health and Medical Support

Division; OHA's Food, Agriculture, and Veterinary Branch; OHA's Planning and Exercise Support Branch; and OHA's State and Local Initiatives Branch. In considering the impact of realigning certain functions outside the new Office, the Secretary shall evaluate whether functions are duplicative of activities carried out within the Department or other Federal agencies.

Additionally, the Secretary shall provide a qualitative assessment of the consolidation proposal, including whether and how it satisfies the goals of improving WMD defense strategy, coordination, and execution within DHS. If the Secretary certifies that it does not meet these goals, the Secretary shall also provide a detailed, alternative proposal to improve WMD defense strategy, coordination, and execution across the Department at the time the consolidation plan is submitted.

The Government Accountability Office (GAO) is directed to review the Department's submission and provide an assessment of whether and how proposed changes would improve DHS coordination with the interagency on WMD defense issues. GAO shall work with the Committee, the House Committee on Homeland Security, and appropriate authorizing committees of jurisdiction to determine an appropriate scope and timeframe for completing this assessment.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS

The Committee is aware that the Department has a number of Federally Funded Research and Development Centers (FFRDCs) that it uses for assistance in procurement, research, and analytic support. In order to better understand the value that FFRDCs bring to the Department's operations and management, the Committee directs the Department to submit, at the time it presents its fiscal year 2014 budget, a report describing the FFRDCs that the Department used in fiscal year 2012 and proposes to use in fiscal year 2013, including a detailed discussion of the nature of the FFRDC assistance and associated funding for each of those fiscal years.

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 2014 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 2012 and 2013, and projects to spend in 2014. If a project contained in the WCF is a multi-year activity with a defined cost, scope, and schedule, 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 made to the WCF during the fiscal year. Furthermore, the Department should not fund any activities through the WCF that the House or Senate Committees on Appropriations have disapproved either in report language or in their responses to reprogramming requests.

TRAVEL

Travel by Department leadership and senior staff is necessary when it supports critical Department missions, advances national policy interests, or is for fundamental oversight and management purposes. However, the Committee is concerned that travel by some Department officials fails to meet the test of being both necessary and efficient. This includes the use for non-emergency travel of Departmental assets, such as Coast Guard aircraft, to transport agency officials for non-operational purposes. Indeed, the Committee is concerned that expenditures on travel are far beyond what is provided in law, which requires costs for use of government aircraft for official travel by the Secretary and Deputy Secretary to be paid from amounts made available for the Immediate Offices of the Secretary and Deputy Secretary. However, based on information provided by the Department in hearing testimony, a significant amount of travel costs are borne by the Coast Guard. The Committee expects the Department to comply with the letter of the law; official travel funding may not be augmented at the expense of operations.

The Committee, in order to gain better insight into the appropriateness of DHS use of travel funding, therefore directs the Department to provide a semi-annual briefing to the Committee, with detailed emphasis on foreign travel and to include in that briefing estimates of the cost of such travel (to include the source of funding), destinations, and purposes.

BONUSES AND PERFORMANCE AWARDS

The Committee recognizes bonuses and other forms of monetary awards for exemplary performance serve as important tools in recognizing and motivating high-achieving agency personnel. These bonuses can be a useful means to provide positive feedback to agency personnel and to encourage all employees to help the Department better execute its missions by increasing productivity and employing creative ideas. However, the Committee notes that for many Department components, offices, and sub-offices, such awards, along with quality step increases, are given to more than half the employees in an organization—in some cases, reaching 90 percent or higher. This gives the appearance that such incentive awards are being used simply as another form of compensation in lieu of pay increases, rather than as the intended award. Such broad use may cause these awards to lose their value as a form of recognition or incentive. The Committee, therefore, directs the Secretary to submit a report no later than 90 days after the date of enactment of this Act that: sets forth the standards for such performance awards; shows how their use compares, in terms of best personnel practices, with similar Federal agencies; and clarifies that such awards have not become a routine element of compensa-

tion, rather than something used in cases of extraordinary or sustained high levels of performance.

RECEPTION AND REPRESENTATION ALLOWANCES

Within OSEM, the Committee recommends $45,000 for official reception and representation expenses, $6,000 below the level provided in fiscal year 2012. Within this total, $17,000 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. The Committee expects 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 2014 budget request.

CONFERENCES AND SPECIAL EVENTS

In light of recent actions exposed by the Inspector General of the General Services Administration (GSA), and to enable better oversight of expenditures during the current fiscal climate, the Committee directs the Office of Inspector General (OIG) to report to the Committee no later than 30 days after the date of enactment of this Act as to whether the Department has effective procedures in place to ensure compliance with all applicable Federal laws and regulations on travel, conferences, and employee awards programs. In this budget environment there is an unquestioned need for fiscal restraint, and the Government must move responsibly to reduce wasteful spending and restore the faith of the American taxpayer.

The Committee includes a new general provision which directs the head of each DHS agency, component, or office to submit quarterly reports to OIG, outlining the full costs to the Government of each event for which the Department expends more than $20,000. Such events shall include: conferences; ceremonies, including but not limited to those for commissioning, de-commissioning, change of command, awards, and recognition; and similar events held by the Department or attended by Department personnel.

Each report submitted shall include, for every event described above and held during the applicable quarter: (1) a description of the subject of and number of participants attending the event; (2) a detailed statement of the costs to the Government relating to the event; (3) a description of the contracting procedures relating to the event; (4) the appropriation or other source of funding including name and number of the budget accounts, and Programs, Projects and Activities (PPAs), used to pay for the event; and (5) the cumulative total of event spending for the fiscal year.

Furthermore, no later than 30 days after the end of fiscal year 2013, OIG shall report to the Committee on the Department's event-related spending, which shall substantiate DHS compliance with all applicable laws and regulations and describe in detail the total costs to the Government associated with events. The report shall include the number of conferences held, the amount of funds obligated, and expenses by appropriation or other source of funding, including budget accounts and PPAs used to pay for events.

NATIONAL OCEAN POLICY

The Committee understands that no funds are requested in fiscal year 2013 for the implementation of the National Ocean Policy. The Committee recommendation includes no funding for this purpose. The Committee further notes that any funds obligated in support of this policy are subject to the notification requirements contained in this Act.

TWIC READER RULE

The Committee notes that no final rule on transportation worker identification credential (TWIC) reader has yet been issued, although such a rule was mandated under the Maritime Transportation Security Act of 2002 (MTSA), as amended by the SAFE Port Act of 2006, and a demonstration pilot of readers was completed in May 2011. The Committee, as discussed in more detail in the TSA and Coast Guard sections of this report, is committed to seeing TWIC readers deployed so that the millions of credentials now in use will no longer merely serve as a "flash pass" for visual inspection. The Committee directs the Department, with Coast Guard and TSA, to take all necessary action to expedite the completion and publication of a final rule.

INTERAGENCY AND INTRA-AGENCY COMMUNICATION AND COORDINATION

The Committee notes the persistent scrutiny of the Phoenix, Arizona-based operation by the Bureau of Alcohol, Tobacco, Firearms and Explosives known as Fast and Furious that began in the fall of 2009. The operation allowed thousands of firearms to be purchased by suspected straw purchasers, purportedly to link the purchases to drug trafficking organizations. Among other consequences, firearms associated with this operation have been found at crime scenes in the U.S. and Mexico, including at the scene of the December, 2010 murder of U.S. Border Patrol Agent Brian Terry, bringing the operation to a halt. It has been indicated that ICE personnel were associated with Operation Fast and Furious. Yet, the Secretary has testified that, prior to the death of Agent Terry, she was unaware of the operation. These facts raise concerns with both intra-agency and inter-agency communication and coordination when it comes to law enforcement activities on the border. The Committee directs the Department to brief the Committee no later than 30 days after the date of enactment of this Act on actions or corrective measures the Department has taken to ensure, in light of Operation Fast and Furious, that it remains informed of Federal law enforcement operations that could impact law enforcement and the public in border regions.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

Appropriation, fiscal year 2012	$235,587,000
Budget request, fiscal year 2013	221,771,000
Recommended in the bill	213,128,000
Bill compared with:	
Appropriation, fiscal year 2012	−22,459,000
Budget request, fiscal year 2013	−8,643,000

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 charged with implementing a mission support structure for DHS administrative services, while eliminating redundancies and reducing support costs.

RECOMMENDATION

The Committee recommends $213,128,000 for USM, $8,643,000 below the amount requested and $22,459,000 below the amount provided in fiscal year 2012. No funding is included for the proposed fiscal year 2013 pay raise. Except as specified below, other reductions were made to offset significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, (2) a flawed budget request regarding CBP's access to fee collections, and (3) failure to comply with statutory requirements. In addition, the reductions reflect Committee dissatisfaction with inconsistent or incomplete responses by the Department to Committee requests for information. In light of the Department's chronic delays in submitting statutorily required reports and plans, the bill withholds $124,325,000 from obligation until the Committee receives all reports that are, by statute, required to be submitted with or in conjunction with the fiscal year 2014 budget request.

The Committee has provided separate funding recommendations in order to adequately track expenditures for each PPA, as detailed in the following table:

	Budget Estimate	Recommended
Under Secretary for Management	$3,112,000	$3,112,000
Office of the Chief Security Officer	69,258,000	69,000,000
Office of the Chief Procurement Officer	73,176,000	65,700,000
Office of the Chief Human Capital Officer	35,660,000	35,556,000
Office of the Chief Administrative Officer	40,565,000	39,760,000
Total, USM	$221,771,000	$213,128,000

IMMEDIATE OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

The Committee recommends $3,112,000 for the Immediate Office of the Under Secretary for Management, as requested. The Committee is pleased with initiatives being pursued by the Department to find ways in which components and administrative elements can share assets and adopt best practices, including acquisition of technology, procurement of services, and collaboration on human resource management.

OFFICE OF THE CHIEF PROCUREMENT OFFICER

The Committee recommends $65,700,000 for the Office of the Chief Procurement Officer, $7,476,000 below the amount requested and $12,300,000 below the amount provided in fiscal year 2012.

This reflects a reduction of 10 percent in light of the Department's failure to comply with the statutory requirement to submit on time a comprehensive acquisition report with quarterly updates. The Committee continues statutory language in this section requiring such reports and expects the Department will comply with those requirements, both in meeting the content and the schedule requirements.

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

The Committee recommends $39,760,000 for the Office of the Chief Administrative Officer, $805,000 below the amount requested and $5,940,000 below the amount provided in fiscal year 2012. Within this total, the Committee includes $5,448,000, as requested, for improvements and maintenance of the Nebraska Avenue Complex, including perimeter fencing, and to sustain current operations at the site. This remains essential, given that there will be substantially less funding available in fiscal year 2013, as noted below, for additional consolidation of Departmental management and components.

DEPARTMENTAL HEADQUARTERS CONSOLIDATION

The Committee recommends no new construction funding in the bill for new Departmental Headquarters Consolidation expansion. This is $89,000,000 below the request. Funding is included, as requested, as part of the Coast Guard appropriation to cover the costs associated with completing the move of the Coast Guard headquarters to St. Elizabeths. Associated with this, as described below, is additional funding under Coast Guard construction to ensure completion of the current project, improve site access, and support analysis for follow on work and any necessary planning adjustments for schedule, scope, and cost.

The Committee supports efforts to optimize the housing and operations of Department agencies and components in the capital region, with between 14,000 and perhaps as many as 16,000 DHS employees eventually to be located at the St. Elizabeths complex in Washington, D.C., and a continuing requirement to consolidate the 70 offices spread in 46 locations across the region. The Committee acknowledges that the request was for completion of transportation routes adjacent to and connecting to the St. Elizabeths site; deferred funding for the phases two and three of the current plan; and was intended to complete necessary preparatory construction for later phases of construction. Furthermore, the Committee also recognizes that delays in this project have already led to significant cost and schedule changes to the original plan. At this point, the Committee understands that completion of the original plan could cost as much as $4,000,000,000, over 15 percent higher than the $3,400,000,000 estimated in fiscal year 2010. However, given that this project has been funded through both DHS and General Services Administration (GSA) appropriations—and GSA does not request any funding in fiscal year 2013 for this project—it has been difficult to project anything more than a notional timeline for the project as a whole.

Nonetheless, notwithstanding the impact on current schedule and cost estimates, the Committee finds it cannot fund the requested construction costs proposed in fiscal year 2013, given the

need to compensate for shortfalls created by the budget's reliance on unauthorized or inaccessible fee proposals and costs not formally notified to the Committee through a budget amendment.

The Committee understands that the Department, through USM, is actively exploring options to creatively modify or consolidate current leases, in the expectation that a permanent headquarters construction site will be significantly delayed or amended. The Committee encourages the Department to continue this effort and to inform the Committee of its progress in consolidation no later than 90 days after the date of enactment of this Act, including a revised schedule and cost estimates. Further, as noted above, the Committee includes $10,000,000 under the Coast Guard Acquisition, Construction, and Improvements account to complete Phase 1 of construction, ensure Coast Guard will be able to move in 2013 and that there will be no obstacles to access and transportation into the site, and to support orderly planning and analysis for the overall project.

INSOURCING

The Committee is concerned with the Department's use of insourcing as a cost savings and mission effectiveness tool. The Department is directed to include within the President's annual budget proposal a thorough justification of any insourcing initiatives, to include a net present value comparison of the life-cycle cost of a contracted position or task to the cost of a Federalized FTE. The Department is also directed to report no later than April 1, 2013, on the impacts of the insourcing initiatives begun in fiscal years 2010 and 2011 in terms of cost savings and mission effectiveness, with details on the data and methodology and metrics it used for the analysis. The report shall also include an explanation of how the Department will track the long-term impacts of its insourcing initiatives.

BUY AMERICAN REQUIREMENTS

The Committee remains concerned about the Department's interpretation and implementation of statutorily mandated Buy American requirements. As part of the fiscal year 2014 budget request, the Secretary shall submit a detailed analysis on how the Department could comply with Title VI of Section 604 of Public Law 111–5, as well as identify technical and statutory challenges pertaining to compliance. In addition, the Secretary shall ensure that the annual report to Congress required in accordance with 41 U.S.C. 10b is submitted to the Committees on Appropriations. This report details the amount of acquisitions DHS makes from entities that manufacture articles, materials, and supplies outside the U.S. and includes an itemized list of the waivers granted with respect to articles, materials, and supplies acquired under the Buy American Act.

ELECTRONIC FINGERPRINT COLLECTION

The Committee understands that ICE still utilizes paper fingerprint cards rather than electronic capture for new employees and contractors. It is unclear why such a requirement would continue in light of Homeland Security Presidential Directive-12 (HSPD–12)

implementation. The Committee directs the Chief Security Officer to brief the Committee no later than 60 days after the date of enactment of this Act on the use of paper rather than electronic fingerprint collection by all DHS components and to update the Committee on HSPD-12 implementation.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriation, fiscal year 2012	$50,860,000
Budget request, fiscal year 2013	55,414,000
Recommended in the bill	49,743,000
Bill compared with:	
Appropriation, fiscal year 2012	−1,117,000
Budget request, fiscal year 2013	−5,671,000

MISSION

The primary responsibilities and functions of the Office of the Chief Financial Officer (CFO) 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 $49,743,000 for the CFO, $5,671,000 below the amount requested and $1,117,000 below the amount provided in fiscal year 2012. As noted above, such reductions are made to offset budget shortfalls created by unauthorized user fee revenue assumptions, additional costs not reflected in budget amendments, and in light of inconsistent responses to the Committee's requests for information. In addition, in light of the Department's chronic delays in submitting statutorily required reports and plans, the bill withholds $29,017,000 from obligation until the Committee receives all reports and plans that are, by statute, required to be submitted with or in conjunction with the fiscal year 2014 budget request.

FINANCIAL SYSTEMS MODERNIZATION

The Committee recognizes the importance of modernizing the financial systems on which the Department and its components rely and supports the efforts being led by the CFO to leverage existing systems and prioritize efforts. The Committee, therefore, directs the CFO to continue providing briefings to the Committees on Appropriations on, at a minimum, a semi-annual basis on its modernization efforts and highlight any funding, schedule, or implementation issues that are relevant to continued progress.

CONGRESSIONAL BUDGET JUSTIFICATIONS

The Committee directs the Department to submit all of its fiscal year 2014 budget justifications on the first Monday in February, 2013, concurrent with the official submission of the President's budget to Congress. The detail should reflect the requirements set forth under this heading in the statement of managers accompanying Public Law 112–54, with the exception that the references to prior-year funding information should relate to fiscal years 2012 and 2013.

Consistent with section 874 of Public Law 107–296, the Department shall submit a Future Years Homeland Security Program budget as part for the fiscal year 2014 budget justification, reflecting anticipated spending for fiscal years 2014–2018. It shall be in unclassified form so as to be accessible to the public.

The Committee also directs that the Department ensure, for all appropriations requested in fiscal year 2014, and for which a proposal is made to increase or decrease funding for an activity within a PPA category, that it informs the Committee of the base funding level for such activity—and not simply the total PPA funding.

UNREALISTIC BUDGETING PRACTICES

As in prior years, the President's budget once again assumes that new revenue will be realized in the coming fiscal year—in this case, the budget request was built upon assumptions that $317,000,000 in new aviation security fee revenue would be realized in fiscal year 2013, of which $200,000,000 would go to general deficit reduction and with the expectation that such collections would generate $25,500,000,000 in new revenue in the next decade. However, as in the past, the proposal depends on enactment of new legislative authority that is outside the jurisdiction of the Committee. The direct impact on the Department's budget in fiscal year 2013, by Congressional Budget Office estimates, is a shortfall of $115,000,000. As this Committee has underscored repeatedly over the past several Congresses, such an approach to budgeting is unrealistic and requires this Committee to take drastic measures to offset the unnecessary gap. The Committee reiterates its message—it rejects such budgetary legerdemain. The consequences, in terms of additional reductions to Department requests, are evident throughout this bill.

If and when such proposals are enacted into law, the Committee will take them into account as it drafts legislation, and the Department should keep the Committee informed of any progress in this regard. However, until that occurs, such proposals will not be treated as relevant to its appropriations work.

MONTHLY REPORTING REQUIREMENTS

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

APPROPRIATIONS LIAISONS

The Committee established two liaison positions within the CFO in the early years of the Department, based on the need to ensure that it had clear and direct access to budgetary information and could see that requests from the many components and offices of the new Department were coordinated at the departmental level. Initially, two positions were designated, but in the intervening years the number of liaisons has increased significantly. However, the Committee has found the role of liaisons, and their value in supporting Committee oversight and ensuring clear communications with the Department and its components, to be uneven at best and frequently counterproductive—either not facilitating information sharing or, in some cases, creating another layer of review and delay. The Committee notes that such positions are not for-

mally classified as such within the CFO organization. Therefore, the Committee advises that it does not regard such formal positions as necessary and does not require CFO to operate as an intermediary between the Committee and other DHS entities. The CFO shall, as appropriate, fulfill its role in ensuring the integrity of the Department's financial execution, reporting, and budget formulation, but the Committee expects to hear from relevant components on their areas of responsibility directly.

The DHS Budget Officer shall serve as the Committee's primary point of contact for Departmental and cross-cutting interagency issues related to budget formulation and execution. Agency and component Chief Financial Officers and Budget Officers shall serve as the Committee's primary points of contact for those agencies and components.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriation, fiscal year 2012	$257,300,000
Budget request, fiscal year 2013	312,643,000
Recommended in the bill	241,543,000
Bill compared with:	
Appropriation, fiscal year 2012	−15,757,000
Budget request, fiscal year 2013	−71,100,000

MISSION

The Chief Information Officer (CIO) has oversight of information technology (IT) projects in the Department. The CIO reviews and approves all DHS IT 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 $241,543,000 for the Office of the CIO, $71,100,000 below the amount requested and $15,757,000 below the amount provided in fiscal year 2012.

The bill continues a requirement for a multi-year investment plan for the Department's information technology funding within a separate general provision.

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

	Budget Estimate	Recommended
Salaries and Expenses	$120,670,000	$116,870,000
Information Technology Services	28,002,000	27,202,000
Infrastructure and Security Activities	121,839,000	55,339,000
Homeland Security Data Network	42,132,000	42,132,000
Total, Chief Information Officer	$312,643,000	$241,543,000

SALARIES AND EXPENSES

The Committee recommends $116,870,000 for Salaries and Expenses, $3,800,000 below the amount requested and $11,370,000 above the amount provided in fiscal year 2012, reflecting no funding for a 2013 pay raise and additional reductions to offset significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Com-

mittee on Appropriations, (2) a flawed budget request regarding CBP's access to fee collections, and (3) a failure to comply with statutory requirements.

INFORMATION TECHNOLOGY SERVICES

The Committee recommends $27,202,000 for Information Technology Services, $800,000 below the request and $11,598,000 below the amount provided in fiscal year 2012, reflecting offsets for significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, (2) a flawed budget request regarding CBP's access to fee collections, and (3) a failure to comply with statutory requirements.

INFRASTRUCTURE AND SECURITY ACTIVITIES

The Committee recommends $55,339,000 for Security Activities, $66,500,000 below the request and $13,661,000 below the amount provided in fiscal year 2012, reflecting no funding for data center migration and offsets for significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, (2) a flawed budget request regarding CBP's access to fee collection, and (3) failure to comply with statutory requirements.

The Committee remains concerned about the security vulnerabilities posed by "insider threats" and last year directed the Department to provide a detailed, cross-component briefing on the matter. The CIO shall keep the Committee informed of any new developments in its efforts to mitigate the likelihood and danger of such threats.

DATA CENTER MIGRATION

This year, the Administration requested a total of $64,797,000 to pay for the migration of component resources to the Department's two consolidated data centers. While the Committee supports such migration as necessary to reduce IT costs, risk, and to rationalize the operations of the Department, this additional investment has been forgone due to the need to offset significant shortfalls in the President's budget request for DHS due to (1) assumed increases in aviation passenger fee collections that have yet to be authorized and that are not in the jurisdiction of the Committee on Appropriations, (2) a flawed budget request regarding CBP's access to fee collections, and (3) failure to comply with statutory requirements. The Committee directs the Department to continue to brief the Committees quarterly on the status of data center migration and to develop a plan to implement continued migration in fiscal year 2014.

ANALYSIS AND OPERATIONS

Appropriation, fiscal year 2012	$338,068,000
Budget request, fiscal year 2013	321,982,000
Recommended in the bill	317,400,000
Bill compared with:	
Appropriation, fiscal year 2012	−20,668,000
Budget request, fiscal year 2013	−4,582,000

MISSION

Analysis and Operations (A&O) houses the Office of Intelligence and Analysis 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 $317,400,000 for A&O, $4,582,000 below the amount requested and $20,668,000 below the amount provided in fiscal year 2012. The Committee denies the requested pay raise for civilian government employees, denies the requested increase in executive service salaries for the Office of Operations Coordination and Planning, and denies the requested increase in funding associated with the Air Domain Intelligence Integration Element. The Committee also denies the requested decrease to Cybersecurity Analysis and restores funding for this function. Additional direction on funding for this appropriation is included within the classified annex accompanying this report.

CLASSIFIED PROGRAMS

Recommended adjustments to classified programs and more detailed oversight of funding for the Office of Intelligence and Analysis are addressed in a classified annex accompanying this report.

OFFICE OF INSPECTOR GENERAL

Appropriation, fiscal year 2012 [1]	$117,000,000
Budget request, fiscal year 2013	143,664,000
Recommended in the bill [1]	109,264,000
Bill compared with:	
Appropriation, fiscal year 2012	−$7,736,000
Budget request, fiscal year 2013	−34,400,000

[1] Excludes a $24,000,000 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 General is to report dually to the Secretary of Homeland Security and to the Congress.

RECOMMENDATION

The Committee recommends $109,264,000 for OIG, $34,400,000 below the budget request and $7,736,000 below the amount provided in fiscal year 2012. The Committee will continue the practice of transferring $24,000,000 from the Disaster Relief Fund (DRF) to OIG in fiscal year 2013 in light of OIG's work to conduct disaster-related audits and investigations. The OIG shall submit a plan for expenditure of all funds no later than 30 days after the date of enactment of this Act and to include DRF transfers in the CFO's monthly budget execution reports submitted to the Committees, which shall satisfy the requirements for notification of DRF transfers under section 503 of this bill.

The reduction in funding from the OIG core budget request includes a reduction of $400,000, reflecting no additional funding for a fiscal year 2013 pay raise. In addition, the Committee reduces funding by $10,000,000 to reflect dissatisfaction with the quality of communication with the Committee with regard to border corruption investigations, and in particular, issues with coordinating these with ICE and CBP. The Committee directs OIG to submit, no later than 30 days after the date of enactment of this Act, a plan for expenditure of integrity oversight funds in coordination with CBP and ICE, which shall be submitted along with its overall expenditure plan. The Committee also directs OIG to provide semiannual briefings on the status of efforts to improve its own investigative operations.

MANAGEMENT AND EFFICIENCY OVERSIGHT

The Committee strongly supports efforts by OIG to identify and correct instances of fraud and waste affecting Departmental activities, and therefore directs OIG to provide a semiannual briefing to the Committees on Appropriations updating them on such efforts, with particular focus on procurement, grant administration, and travel.

CONFERENCES AND SPECIAL EVENTS

As noted above in the OSEM section of this report, the Committee has included a new general provision that requires OIG to report to the Committees no later than 30 days after the end of fiscal year 2013 on DHS spending on conferences, ceremonies, and similar events, based on quarterly reporting to OIG. The report shall substantiate DHS compliance with all applicable laws and regulations and describe in detail the total costs to the Government associated with events. It shall include the number of conferences held, the amount of funds obligated, and expenses by appropriation or other source of funding, including budget accounts and subaccounts used to pay for events.

OIG REVIEW AND REPORTING REQUIREMENTS

The Committee has identified other OIG review and reporting requirements in other sections of the report and bill, including: review of 287(g) agreements; inspections of TSA screening; an assessment of adjudication by United States Citizenship and Immigration Services; and a general provision for OIG to audit contracts DHS awards on a noncompetitive basis.

TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS

U.S. CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$8,680,118,000
Budget estimate, fiscal year 2013	9,010,581,000
Recommended in the bill	8,366,024,000
Bill compared with:	
Appropriation, fiscal year 2012	−314,094,000
Budget estimate, fiscal year 2013	−644,557,000

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 crossings 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 United States 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. CBP maintains 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 $8,366,024,000 for Salaries and Expenses, $644,557,000 below the amount requested and $314,094,000 below the amount provided in fiscal year 2012. The reduction to the request reflects: (1) the Committee's denial of the full transfer of US-VISIT to CBP for a total reduction related to the request of $249,239,000; (2) the realignment of $374,716,000 for the Office of Information and Technology (OIT) from Salaries and Expenses to Automation Modernization; and (3) the realignment of $8,000,000 from Salaries and Expenses to ICE for detainee medical costs. The rationale for these adjustments is explained further below. Supporting frontline operations and maintaining staffing levels is the Committee's top priority. Additionally, the recommendation includes a number of targeted increases to CBP operations.

This recommendation denies the proposed pay raise for a reduction across the account of $25,572,000. The Committee also includes cuts to the Offices of the Commissioner, Chief Counsel, Congressional Affairs, and Administration for failure to submit statu-

torily required reports and to be responsive to the Committee's repeated requests for information necessary to ensure appropriate oversight. For example, CBP failed to provide any questions for the record more than six weeks after receipt of the questions. Additionally, the bill withholds funds from Salaries and Expenses until the Commissioner submits the multi-year investment and management plans required with the fiscal year 2014 budget request.

The recommendation also restructures the Headquarters Management and Administration PPAs to provide greater visibility into and accountability for CBP's expenditures. The new PPA structure is provided below in the table. The Offices of the Commissioner, Chief Counsel, Congressional Affairs, Internal Affairs, Public Affairs, and Administration are funded in their respective PPAs. The Administration PPA also includes the Office of Human Resource Management and Working Capital Fund. In the fiscal year 2014 request, CBP shall distribute the Working Capital Fund expenditures among the PPAs as appropriate to reflect the actual costs to each CBP office.

The Offices of Trade and International Affairs do not appear in the new PPAs, as they are funded within the Border Security Inspections and Trade Facilitation PPAs with the Office of Field Operations (OFO). Specifically, the Office of Trade shall be funded from the Inspections, Trade, and Travel Facilitation at Ports of Entry PPA; and the Office of International Affairs shall be funded primarily from the Other International Programs PPA with some funds remaining in the International Cargo Screening PPA. In addition to funding included within its PPA, the Office of Intelligence/Investigative Liaison is partially funded out of the Automated Targeting Systems PPA. OIT is funded for its activities in the Automated Targeting Systems and Inspection and Detection Technology Investments PPAs, in addition to the funds in the Automation Modernization account. The Office of Training and Development is funded in its PPA as well as the Training PPAs under Border Security Inspections and Trade Facilitation and Border Security and Control between the POEs.

The Office of Border Patrol and the Joint Field Command are fully funded within the Border Security and Control PPA. No funds are included for the Joint Operations Division created by CBP last year.

Border Security Inspections and Trade Facilitation is funded at $3,044,490,000, including $70,000,000 largely to fill the shortfall created by the flawed budget request regarding CBP access to fee revenues (discussed further below); $5,747,000 for prior year annualization of CBP officer staffing enhancements; $14,076,000 for annualization of CBP officer staff for new ports of entry and enhanced operations; $10,000,000 as requested for enhancing intellectual property rights enforcement efforts; $13,032,000 to re-baseline the Container Security Initiative; realignment of funds to the Other International Programs PPA from International Cargo Screening; and consolidation of funds into the Automated Targeting Systems and National Targeting Center PPAs to more fully display the costs of those activities. The Committee expects CBP to maintain no less than 21,186 CBP officers.

Border Security and Control between Ports of Entry is funded at $3,605,732,000, which reflects an $8,000,000 decrease to move re-

sponsibility for detainee medical costs to ICE. This level continues to 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 $284,530,000, which includes an increase of $5,940,000 to restore pilots and other operational personnel cut in the budget request; a reduction of $805,000 denied for the Joint Operations Division; and a reduction of $368,000 to consolidate support for the Joint Field Command in the Border Security and Control PPA.

A comparison of the budget estimate to the Committee recommended level by program, project, and activity (PPA) is as follows:

	Budget estimate	Recommended
Headquarters, Management, and Administration:		
Border Security Inspections and Trade Facilitation	$601,414,000	– – –
Border Security and Control between Ports of Entry	665,646,000	– – –
Commissioner	– – –	$16,442,000
Chief Counsel	– – –	39,414,000
Congressional Affairs	– – –	2,060,000
Internal Affairs	– – –	154,108,000
Public Affairs	– – –	12,563,000
Training and Development	– – –	78,721,000
Tech, Innovation, Acquisition	– – –	25,704,000
Intelligence/Investigative Liaison	– – –	69,426,000
Administration	– – –	417,963,000
Rent	614,871,000	614,871,000
Subtotal, Headquarters Management and Administration	1,881,931,000	1,431,272,000
Border Security Inspections and Trade Facilitation:		
Inspections, Trade, and Travel Facilitation at Ports of Entry	2,480,674,000	2,554,326,000
Harbor Maintenance Fee Collection (Trust Fund)	3,285,000	3,274,000
International Cargo Screening	71,534,000	71,396,000
Other international programs	27,084,000	27,017,000
Customs-Trade Partnership Against Terrorism	40,082,000	43,979,000
Trusted Traveler Programs	6,311,000	10,311,000
Inspection and Detection Technology Investments	117,575,000	117,565,000
Automated Targeting Systems	113,826,000	113,820,000
National Targeting Center	65,127,000	67,956,000
Training	34,860,000	34,846,000
Subtotal, Border Security Inspections and Trade Facilitation	2,960,358,000	3,044,490,000
Border Security and Control between Ports of Entry:		
Border Security and Control	3,551,840,000	3,531,793,000
Training	74,110,000	73,939,000
Subtotal, Border Security and Control between POEs	3,625,950,000	3,605,732,000
Air and Marine Operations	280,819,000	284,530,000
US–VISIT	261,523,000	– – –
Total, CBP Salaries and Expenses	$9,010,581,000	$8,366,024,000

CONGRESSIONAL BUDGET JUSTIFICATION

The quality of the Congressional Budget Justification material provided by the Department for CBP accounts continues to be of concern, despite some minor improvements in the fiscal year 2013 materials. CBP, in conjunction with the Chief Financial officer, is encouraged to work with the Committee in ensuring the Congressional Budget Justification materials provide accurate, detailed information upon which to assess the request.

FEE SHORTFALLS AND BUDGET GIMMICKS

Despite knowledge to the contrary, the President's budget request assumes that CBP has access to $110,000,000 in fee revenues pursuant to the Colombia Free Trade Agreement's elimination of certain exemptions to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) fees. However, the fees are not accessible to CBP; therefore, the budget request again relies upon a budget gimmick, leaving the Committee with a critical operational shortfall of $110,000,000. Further, the shortfall persists annually until fiscal year 2022. As a result, the bill includes a general provision directing the Department, in coordination with the Office of Management and Budget, to include access to these fees in the fiscal year 2014 budget request and beyond, with appropriate offsets.

The Committee expects DHS to submit an appropriate and adequate reprogramming request to address the $83,000,000 shortfall in the current fiscal year as a result of the same failure by the Administration to realize the funds are inaccessible. The Committee also expects the Administration to provide a budget amendment to address the shortfall in its fiscal year 2013 request of $110,000,000. As the Committee has not yet received that budget amendment, the Committee includes an increase in appropriated funds for OFO of $70,000,000, offset by reductions to CBP headquarters offices, to largely address the shortfall. To fill the remaining $40,000,000 gap, the Committee relies upon CBP's increasing fee revenues. It is unacceptable that the Administration continues to put the Committee in the position of having to make up fee shortfalls by providing appropriations—further squeezing the Department's allocation. The Committee will not likely be able to do so beyond fiscal year 2013.

Compounding the issues outlined above, CBP has not demonstrated the ability to manage fluctuations in fee funding levels. Given that approximately 37 percent of CBP officers are funded by user fees, the failure to properly project and manage these fees has a significant operational impact—not only on CBP but on the traveling public and on our national security posture. 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. Given these issues, the Committee is concerned that CBP has failed to manage and forecast these funds effectively despite current budget pressures, thereby increasing the operational challenges CBP faces in an already constrained environment.

To address these failures and to assist the Committee in its oversight, the Committee directs the Commissioner of CBP to refine and independently validate the assumptions used to forecast the user fee revenue in order to more accurately project such revenue; to reassess the appropriate carryover for each user fee account and independently validate the rationale for required carryover and the parameters for accessing carryover funds; and to establish policies for how fee funds are budgeted and executed in relation to appropriated funds requested for OFO activities. The OFO shall participate in all aspects of this effort. The COBRA and Immigration Inspection User Fees should be prioritized in this effort.

CBP shall brief the Committee no later than 60 days after the date of enactment of this Act on its project plan and milestones for

this effort. CBP shall report to the Committee no later than 270 days after the date of enactment of this Act on its findings and policies related to projecting fee collections; determining and maintaining carryover balances; budgeting for fee collections; and establishing the relationship of fee funds to appropriated funds. The report shall delineate any changes made to prior policies as a result of this review. Additionally, the Committee directs CBP to provide in the budget request its forecast of fee revenues for four fiscal years rather than merely three. For example, the fiscal year 2014 request shall include actuals for fiscal year 2012, estimates for fiscal year 2013, and projections for fiscal years 2014 and 2015.

Furthermore, the Committee is concerned that CBP's user fee management and projections are not available to CBP's stakeholders both internally and externally. To improve transparency and credibility, the Committee directs CBP to make available on its website, and in the Federal Register, information on its fee projections, the cost of inspections, and its use of fee funds to offset the cost of inspections by mode and by other appropriate break outs. The Committee urges CBP to reconstitute its Airport and Seaport User Fee Advisory Committee to collaborate and discuss with stakeholders, on at least a semi-annual basis, the processes for setting, collecting, managing, and forecasting CBP user fees.

FEE BALANCES

In a report (GAO–11–318SP), the Government Accountability Office (GAO) identified what appeared to be $639,400,000 in unobligated fee balances that could potentially be used by CBP to address operational shortfalls. Unfortunately, it does not appear that these funds are accessible to CBP. No later than January 30, 2013 the Committee directs CBP to report on the final determination regarding the availability of these funds and the path for eliminating them from CBP's books.

PORT OF ENTRY OPERATIONS—MANPOWER AND INNOVATION

As the Committee has not yet received the CBP workload staffing allocation model, the Committee cannot assess CBP's identified needs. While the Committee is prepared to consider well-documented operational staffing increase proposals, the Committee continues to press CBP to innovate and move its operations in a less manpower-intensive direction. The Committee recommends that CBP continue to consider the following: (1) re-engineering port of entry processes to automate more administrative 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) expanding the use of staffing workload alignment tool to additional airports in order to better anticipate short-term staffing demands and reduce wait times at primary inspection areas; (4) exploring public-private partnerships to facilitate trade and travel; (5) facilitating the entry of lower risk traffic by strengthening and expanding registered traveler programs, including the Global Entry and Free and Secure Trade (FAST) programs; and (6) identifying areas where

technology investments could increase CBP officer efficiency or better utilize available staffing.

Further, the Committee notes that trade and travel patterns change over time and that may mean increased volume through particular ports of entry with seasonal or limited traffic today. As such, the Committee directs CBP to work closely with the full-range of stakeholders at each port of entry to anticipate such changes and ensure appropriate staffing is available as traffic changes. The Committee notes that the workload staffing allocation model should have inputs to take this into account. Since CBP has not yet submitted the model, the Committee directs CBP to brief the Committee no later than 90 days after the date of enactment of this Act on anticipated traffic flows at land ports of entry and how staffing will be reallocated to accommodate those changes.

GLOBAL ENTRY

The Committee is pleased to see the Global Entry program transition from a successful pilot to a permanent trusted traveler program. The Committee encourages CBP to continue to increase individual enrollment as well as the number of nations eligible to participate in the program. This will allow greater numbers of very low-risk travelers to efficiently move through security screening and give CBP personnel the ability to put greater focus on higher-risk travelers. The Committee encourages DHS to integrate trusted traveler programs to the extent practicable by moving to a standardized, single application for personal information. To increase participation, CBP should partner with the Department of State so that passport applicants also receive a trusted traveler application form, and continually update the trusted traveler application form to make it user-friendly. In order to facilitate expansion of Global Entry, the Committee recommends an additional $4,000,000 above the request to purchase, deploy, and manage approximately 100 additional kiosks and commence a targeted marketing campaign to boost enrollment. CBP shall also ensure that enrollment locations have adequate staffing to facilitate timely in-person biometric collection and interviews.

WAIT TIMES

The Committee continues to be interested in monitoring CBP processing times. Beginning no later than January 30, 2013 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 directs CBP to include on its website wait time information for air, land, and sea ports of entry.

Additionally, the Committee directs CBP to work with appropriate stakeholders at each port to share methodology for wait time data. The Committee believes CBP has made significant progress in collecting and reporting wait time information, but CBP should be more open in sharing data and methodology with stakeholders to improve processes collaboratively and reduce wait times. This is particularly critical at major airports experiencing challenges, including Newark Liberty, Hartsfield-Jackson Atlanta, Los Angeles, and John F. Kennedy International Airports.

CARGO SECURITY STRATEGY AND INSPECTING HIGH RISK CARGO OVERSEAS

In 2002, CBP launched several bold initiatives as part of a comprehensive, layered approach to securing the international supply chain, particularly for containerized cargo bound for the United States. While the vision has not been fully realized, it remains a solid approach upon which CBP can continue to build. The approach starts with advance information about the cargo and the entities and individuals involved in moving that cargo as early in the supply chain as possible. A series of regulations and voluntary efforts have resulted in continued enhancement to the quality and timeliness of the data. CBP then screens 100 percent of the cargo through advanced targeting techniques to assess risk. In order to scan, examine, or otherwise inspect high-risk cargo before it arrives in a U.S. port, CBP deployed officers to more than 58 foreign ports through the Container Security Initiative (CSI). In some cases, CSI has enabled CBP to deepen its relationships with foreign partners, going beyond merely a promise to inspect high-risk cargo, to create joint targeting regimes and share valuable information to which the U.S. Government does not have access. Once cargo reaches the United States, it passes through radiation detection technology and may be subject to scanning by non-intrusive inspection equipment or more rigorous inspection.

Through C–TPAT, CBP works with industry to reach into the supply chain from the point of origin and institute tighter security measures throughout the international supply chain. CBP conducts audits of participating companies to ensure they meet the rigorous standards instituted. Further, CBP has encouraged foreign partners to institute similar programs and to establish mutual recognition of the programs to provide participants with more tangible benefits. The U.S. Government also worked extensively with international organizations, particularly the International Maritime Organization and the World Customs Organization, to significantly raise international standards for security.

The Committee supports this approach and appreciates that the fiscal year 2013 budget requests adequate funds for the CSI program for the first time in several years. The Committee remains concerned about whether the personnel deployed through CSI have the right skills and training to most effectively represent U.S. interests. Therefore, the Committee directs CBP to brief the Committee on its plan for ensuring that CSI staff have suitable diplomatic, cultural, and language skills, as well as the appropriate knowledge and training to meet program goals.

The request proposes a cut to C–TPAT that will reduce the number of audits CBP conducts causing a potentially significant denigration in security at a time when CBP and industry are attempting to bolster the program's benefits and participation. For that reason, the Committee recommends an additional $4,000,000 to address that shortfall. Further, the Committee directs CBP to expand C–TPAT participation, continue working with participants to find ways to provide real benefits, and continue efforts with interagency partners to streamline entry and inspection processes. In no way, however, does this suggest that CBP or other agencies eliminate

random inspections or reduce inspection of goods due to targeting activities.

The Committee has strongly supported CBP's advance information collection and targeting efforts. However, the Committee notes that CBP's data collection and targeting efforts have not been as robust in export enforcement and encourages more activity in this area. Such activity would enhance counter proliferation capabilities and would bolster opportunities for partnership with foreign governments on supply chain security. Further, the Committee encourages CBP to ensure a strong U.S. presence at the World Customs Organization.

The Committee notes that the request does not include funds for implementation of 100 percent scanning and that the Secretary has already announced a two-year extension of the implementation deadline of July 1, 2012 pursuant to the 9/11 Act. The cost implications, according to the Department, are substantial. DHS equipment costs alone would be about $8,000,000 for every one of the 2,100 shipping lanes at the more than 700 ports that ship to the United States. Further, the Secretary has consistently and repeatedly asserted the challenges with the 100 percent scanning mandate, and has even called for statutory changes. On February 25, 2012 before the House Committee on Homeland Security, the Secretary stated:

> . . . the goal, of course, is to prevent harmful material from entering the United States. What we don't have is agreement as to whether 100 percent scanning is the best way to achieve that, or whether [it] is even feasible from a diplomatic and logistics point of view. It's my conclusion that it is not currently feasible, but there are other ways that get us to the same place . . . we'd be happy to work with the Committee on some of this. My current intent will be to extend the deadline that presently is in statute.

Based on the Secretary's statements that current law is cost-prohibitive, the Committee looks forward to seeing the Secretary develop and propose a meaningful alternative to 100 percent scanning.

TRADE FACILITATION AND INTERAGENCY COOPERATION

The Committee appreciates CBP's continued efforts to work with the trade community in facilitating the secure movement of cargo and encourages CBP's cooperative efforts with other agencies toward that same end. In particular, the Committee directs CBP to continue to work with the U.S. Food and Drug Administration and the Consumer Products Safety Commission to provide the trade with clear guidelines of what constitutes low-risk 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 audits. CBP is required to brief the Committee no later than December 1, 2012 on its efforts.

In a related initiative, CBP launched two Centers of Excellence and Expertise (CEE) in fiscal year 2012 to focus its expertise, trade

enforcement, and trade facilitation efforts on particular commodities and industries. These were in the Information Technology & Consumer Electronics and Pharmaceuticals, Health & Chemicals industries. The fiscal year 2013 request proposes a $3,000,000 increase to expand this concept to additional industries. While the Committee supports that request, the Committee is interested in seeing the results associated with CBP's deployment of these CEEs and directs CBP to brief the Committee no later than December 1, 2012.

OUTBOUND INSPECTIONS

As the Committee noted last year, CBP has devoted substantial resources from its base, as well as supplemental funds provided by Congress, to conduct outbound inspections along the Southwest border. The Committee directs CBP to assess the effectiveness of outbound operations considering the costs dedicated to these activities, develop a workforce staffing model for outbound operations, and brief the Committee no later than September 1, 2012 on the new normal for outbound operations.

INSPECTION AND DETECTION TECHNOLOGY

The Committee includes $117,565,000 for Inspection and Detection Technology, as requested, except for a reduction associated with the pay raise. The Committee is concerned that CBP has not yet submitted the multi-year investment and management plan required by law for investments and operations of radiation detection equipment and non-intrusive inspection systems. Further, the request does not reflect any plan to address replacement of assets approaching the end of their lifecycles. While this is not necessarily a fiscal year 2013 issue, it is definitely an issue in the out-years. CBP operations have come to rely upon these technologies in its layered approach to effective cargo security and to scan containers entering the United States for radiation. The bill withholds funds from Salaries and Expenses until the Commissioner submits an updated multi-year investment and management plan required with the fiscal year 2014 budget request.

AUTOMATED TARGETING SYSTEMS

The Committee includes $113,820,000 for ATS, as requested, except for a reduction associated with the pay raise. It is critical that CBP continue its enhancements to ATS, one of our Nation's most effective tools to counter terrorist travel and identify risky, illicit activity in the global trade and travel systems. The Committee directs CBP to brief the Committee on a quarterly basis regarding its progress on enhancements and resulting operational successes.

As directed, CBP fully funded the request for ATS in this PPA. However, CBP still has not submitted plans required to provide visibility into CBP's information technology investments and operations. CBP is again required to provide a detailed accounting of funds executed by the Targeting Analysis Systems Project Office within OIT from all accounts in fiscal year 2011, estimated for fiscal year 2012, and proposed for fiscal year 2013 broken out by the programs, projects, and activities under which they fall, in a briefing to the Committee no later than October 1, 2012. CBP shall in-

clude an annual update of this information with the President's budget request.

NATIONAL TARGETING CENTER

The Committee recommends $67,956,000 for the National Targeting Center (NTC), an amount that reflects a reduction associated with the pay raise and includes an increase of $3,000,000 for CBP's role in pre-adjudication vetting of visa applicants. The Committee has a long history of supporting efforts to enhance the security of the visa process and urges the Department to request adequate funds for CBP and ICE to screen visa applicants at the NTC with the assistance and participation of the Department of State. Further, the Committee encourages these interagency partners to assess the screening systems used in the vetting of visa applicants and holders to eliminate duplication of effort while ensuring thorough vetting, facilitating legitimate travel, and safeguarding U.S. national security interests.

US–VISIT

The Committee denies the proposed transfer of US–VISIT for a total of $261,523,000. However, the Committee recommends a transfer of $12,284,000 from US–VISIT to OFO in the Inspections, Trade, and Travel Facilitation at POEs PPA. This amount represents US–VISIT program management and planning efforts associated with entry-exit policy and operations.

OFO is the mission owner for the policy and operations associated with processing legitimate travelers into and out of the country. As such, OFO is responsible for collection of information, including biometrics, from appropriate individuals as part of its processing. While that information resides in the Automated Biometric Identification System (IDENT) managed by US–VISIT, CBP owns the business process, requirements, and staff necessary for these operations. US–VISIT now acts as a service provider and supports multiple agencies and operations across Federal, State, and local government as well as internationally. The responsibility for uniquely identifying individuals in screening processes with biometrics, maintaining those identities, continually enhancing this core capability for national security, the integrity of the immigration system, and public safety is well-beyond CBP's mission. For that reason, the Committee recommends that the Office of Biometric Identity Management remain in the National Protection and Programs Directorate to manage IDENT and these associated responsibilities.

Pursuant to the fiscal year 2012 DHS Appropriations Act (P.L. 112–74), $30,000,000 remains withheld from the Office of the Secretary and Executive Management account in fiscal year 2012 until the Secretary submits a comprehensive plan for implementation of the biometric air exit system, including the estimated cost of implementation. The Committee believes the Secretary has sufficient incentive to complete the plan and expects to see it shortly.

BORDER PATROL AND BORDER SECURITY BETWEEN PORTS OF ENTRY

The Committee fully funds Border Security and Control between POEs at $3,605,732,000, including $73,939,000 for training, less a

reduction for the pay raise. This recommendation continues to support an overall staffing level of 21,370 Border Patrol agents.

Pursuant to House Report 112–91 and the Joint Explanatory Statement accompanying the fiscal year 2012 DHS Appropriations Act (P.L. 112–74), CBP was directed to submit a five-year staffing and deployment plan for the Border Patrol. The Committee sought CBP's assessment of the "optimal and sustainable staffing level" necessary to perform its critical border security mission between the POEs, taking into consideration "the significant growth in the Border Patrol workforce (from 12,350 in fiscal year 2006 to 21,370 in fiscal year 2012)," as well as the rate "of illegal crossings, apprehension rates, and apprehensions per agent." The Committee emphasized that "securing the border is a national priority. Doing it right requires the right mix of personnel, technology, and infrastructure." The Committee noted its staunch support for "the increases that have been made for Border Patrol operations" while asserting that "sustaining the significant costs of these enhancements in our current fiscal environment will be a challenge."

Rather than assess any requirements or criteria for distribution of resources, CBP's report stated that 21,370 agents were funded in fiscal year 2012 and they would be deployed as stated years earlier—with 2,212 agents on the Northern border and 18,415 on the Southwest border. The report failed to address any goals for border security that would shape staffing and resource deployment or note any factors that affect deployment. No later than December 1, 2012 CBP is directed to provide to the Committee a five-year staffing and deployment plan that justifies the funded staffing level in detail, including the tasks performed by agents; outlines the factors related to deployment by sector; and provides criteria for redistribution of resources to address threats.

MEDICAL COSTS FOR DETAINEES

The President's budget request included $8,000,000 in Border Patrol for transfer to ICE for medical costs associated with CBP detainees. The Committee understands that CBP and ICE came to agreement in late fiscal year 2011 that CBP should transfer funds to ICE to support detainees who required medical care while in CBP custody through a reimbursable arrangement. Under the agreement, ICE has authority for detainee medical services and it sponsors, sets policy, and manages the development, implementation, operation, and maintenance of related business processes.

It is clear that CBP does not have the expertise to provide the medical services for individuals in CBP custody. Further, ICE is performing this function for CBP, as it always has, including funding the care until the reimbursable agreement was signed. ICE is best positioned to budget for medical costs for all detainees and to ensure the quality of detainee care. Therefore, the Committee moves the funds budgeted by CBP for medical care of its detainees to ICE. In future years, ICE should include this estimate in its budget. CBP should support ICE in its request.

VEHICLE FLEET MANAGEMENT

In the fiscal year 2013 request, CBP changed its assumptions regarding vehicle fleet maintenance costs and extended the lifecycle of its fleet. While this does not have immediate implications, the

Committee questions the assumptions underlying the lifecycle extension, particularly for Border Patrol operational vehicles. Despite investments in border access roads, the operating environment and usage takes a toll on Border Patrol vehicles. The Committee directs CBP to revise its lifecycles for operational vehicles with the fiscal year 2014 request.

JOINT OPERATIONS EFFORTS

The Committee remains concerned that CBP's joint operations efforts at the field level and headquarters largely amount to additional layers of bureaucracy. While the personnel deployed to the Joint Field Command (JFC) in Arizona are using the opportunity to identify operational challenges and seek to address them, Border Patrol, Air and Marine, and OFO could improve the integration of their efforts with stronger leadership at both the field and headquarters levels.

As one example, Border Patrol already has the authority to direct air and marine assets. However, the assets are finite and deployed from fixed locations that often cover multiple sectors. Better communication between Air and Marine and Border Patrol leaders in the field is necessary in all areas of operation—not just Arizona; counterparts must work together and personalities cannot be allowed to get in the way of delivering for the mission. Further, Air and Marine assets appropriately serve other law enforcement and homeland security needs. Air and Marine headquarters, in conjunction with Border Patrol and other customers, should reassess the optimal deployment of its air assets as part of its capitalization plan update.

CBP is directed to brief the Committee on all plans, milestones, and costs for establishing and operating joint field efforts no later than July 1, 2012.

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.

OFFICE OF AIR AND MARINE STAFFING

The Committee recommends $284,530,000 for Air and Marine Operations, including a reduction for the proposed pay raise, a reduction for funds allotted to the Joint Operations Division, and an increase of $5,940,000 to restore the cut to operational staff.

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 provi-

sion 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 directs CBP to continue briefing the Committee on a semi-annual basis on the funds available for and progress regarding polygraph examinations, background investigations, and periodic re-investigations as well as the budget, staffing, and effectiveness of its integrity efforts.

Given the gravity of CBP's responsibilities, the growth in CBP staffing over recent years, and the significant harm that would be caused by infiltration by DTOs, the Committee directs GAO to report to the Committee on CBP's integrity program no later than 120 days after the date of enactment of this Act. The report should assess CBP's ethics, conduct, and integrity training programs to ensure that they are: (1) standardized, systematic, integrated, and regularized as part of an officer's and agent's career; and (2) part of a formalized strategy for misconduct and corruption prevention. The report should also consider whether additional enhancements or resources are necessary.

WORKERS' COMPENSATION PLANS

In a report released April 17, 2012 (OIG–12–63), OIG reviewed CBP's management of its Federal Employees' Compensation Act program and found that CBP has not effectively managed its program to control costs. Further, OIG recommended that CBP review all workers' compensation cases to ensure that employees who have been medically cleared to return to work have actually been returned to work. The Committee believes this recommendation is particularly important and encourages CBP to take every possible step to achieve that end, including collaborating with delegated supervisors or managers to establish productive and suitable light-duty job assignments for employees who can return to work. The Committee directs CBP to brief the Committee on its progress in implementing the OIG recommendations, the nature of its workers' compensation claims, and trends associated with claims over the past 10 years. The briefing shall take place no later than October 1, 2012.

TACTICAL COMMUNICATIONS AND BORDER CONTROL

The Committee supports the Department's efforts to develop a next generation plan for tactical communications needs across DHS called TacNet. However, the Committee is concerned that this longer-term effort has the potential to sideline CBP's progress in closing its own already-identified tactical communication gaps. The Committee directs the Department Joint Program Management Office and the appropriate DHS participants to continue briefing the Committee on a semi-annual basis on its planning efforts, including progress to date, future milestones, and costs. In conjunction with that briefing, CBP shall provide a description of its identified communication gaps and its schedule to close those gaps, including any operational changes the Border Patrol has made to address them.

DETENTION STATISTICS

The Committee directs the Department to continue issuing 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 Department of Justice, etc.). The Committee directs the Department to publish annually these statistics in its annual statistical yearbook. Additionally, the Committee directs CBP to report to the Committee no later than 60 days after the date of enactment of this Act on the standards governing the conditions of custody and what oversight mechanisms CBP employs to monitor short-term detention conditions and lengths of time of detention.

PREVENTING HUMAN TRAFFICKING

The Committee strongly supports DHS efforts to broaden human trafficking awareness and counter the evils of this modern form of slavery. CBP plays a critical role in identifying potential human trafficking victims as they attempt to enter the United States. Through its Blue Lightning Initiative, CBP provides U.S. commercial airlines and their employees with training on how to identify potential human trafficking victims and a voluntary reporting mechanism to notify Federal authorities through an in-flight reporting protocol. CBP also launched the No Te Engañes campaign to raise awareness in the international community as well. In conjunction with the Blue Campaign, the Committee recommends that information and resources regarding human trafficking, including but not limited to the Department of Health and Human Service's National Human Trafficking Resource Center hotline and website, be posted at all U.S. ports of entry.

No less than $20,000,000 shall be spent on CBP's Blue Campaign activities in fiscal year 2013. The Committee directs CBP to brief on its efforts no later than 120 days after the date of enactment of this Act.

CBP should continue to 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.

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 update annually and submit a report with the budget request on execution of its five-year strategic plan. The report should include information cov-

ering 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, estimated value of seizures by category, 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 2012 no later than February 1, 2013.

EFFORTS TO COUNTER ABUSE OF PRESCRIPTION DRUGS

The Committee has strongly supported efforts to combat smuggling and abuse of prescription drugs. CBP and ICE are directed to submit a comprehensive report on their activities, resources, and challenges to address this important issue. The report shall be submitted no later than February 15, 2013.

TRAINING

In December 2011, GAO issued a report entitled "Border Security: Additional Steps Needed to Ensure That Officers Are Fully Trained" (GAO–12–269). The Committee directs CBP to brief the Committee on its corrective action plan and the status of implementation of GAO recommendations no later than September 1, 2012. GAO found that CBP does not have reliable training completion records to ensure officers received required training and that over 4,000 officers had not completed courses in immigration fundamentals, immigration, law and agriculture fundamentals. In addition, the Committee directs GAO to follow up on the findings of this report one year after its release to identify progress that has been made and any remaining deficiencies.

To ensure Border Patrol agents and CBP officers get the training they need to meet the mission and to build leaders for the organization's future, 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. Further, the Committee notes that House Report 112–91 requires CBP and FLETC to brief the Committee on these issues later this calendar year.

HIRING AND STAFFING REPORTS

The Committee directs CBP to continue submitting monthly staffing and hiring reports in the format that was used in fiscal year 2011. Further, the Committee expects CBP to correctly provide the fiscal year 2012 reports in that same format.

AUTOMATION MODERNIZATION

Appropriation, fiscal year 2012	$334,275,000
Budget estimate, fiscal year 2013	327,526,000
Recommended in the bill	700,242,000
Bill compared with:	
Appropriation, fiscal year 2012	+365,967,000
Budget estimate, fiscal year 2013	+372,716,000

MISSION

Automation Modernization historically has included 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 System (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. The account is now expanded to include all of the funds executed by OIT, with the exception of ATS and Inspection and Detection Technology Investments.

RECOMMENDATION

The Committee recommends $700,242,000 for Automation Modernization, $372,716,000 above the request and $365,967,000 above fiscal year 2012. The significant increase is due to the Committee's recommendation to provide greater visibility into the Salaries and Expenses account and realign IT funds from that account into Automation Modernization.

CBP's IT capabilities are essential to its operations. However, CBP has not provided visibility into its management of this significant investment, including its failure to submit a statutorily required multi-year investment and management plan for IT. In addition, the flawed budget request regarding CBP's access to fee collections created $110,000,000 shortfall in OFO. Therefore, the Committee has reduced OIT by $24,000,000, which includes a denial of the proposed pay increase, and cut ACE by $2,000,000.

The bill withholds funds from Salaries and Expenses until the Commissioner submits an updated multi-year investment and management plan required with the fiscal year 2014 budget request.

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

	Budget estimate	Recommended
Information Technology	– – –*	$374,716,000
Automated Commercial Environment/International Trade Data System (ITDS)	$140,794,000	138,794,000

	Budget estimate	Recommended
Current Operations Protection and Processing Support (COPPS)	186,732,000	186,732,000
Total, Automation Modernization	$327,526,000	$700,242,000

*Request in Salaries and Expenses for corresponding activity is $399,058,000.

ACE AND ITDS REPORTING

The Committee continues to be disappointed with the information CBP can provide on the cost and schedule for Cargo Release, among other ACE capabilities that the trade community has long sought. The Committee directs CBP to continue its quarterly briefings on ACE/ITDS progress. The next quarterly briefing shall include CBP's estimate of the full cost and schedule for Cargo Release.

TECS

Funding for TECS Modernization of $55,000,000 is included within the COPPS PPA, as requested, 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 that are already bearing results, such as the Consolidated Secondary Inspection System to give CBP officers more information at ports of entry. A joint effort between CBP and ICE, TECS modernization is to be completed in the next three 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 no later than December 1, 2012, on the status of modernization efforts, progress in fiscal year 2012 and plans for fiscal year 2013.

AVAILABILITY OF AUTOMATED SYSTEMS

The Committee continues to be concerned about CBP's ability to maintain availability of its IT systems that are so critical to its operations. Upgrades are being continually deferred in a manner that reduces availability and compounds the cost of operating old infrastructure. The Committee directs CBP to brief on its progress implementing the recommendations in OIG report OIG–11–42 no later than September 1, 2012 as well as the unfunded costs of upgrades to ensure system reliability and availability.

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

Appropriation, fiscal year 2012	$400,000,000
Budget estimate, fiscal year 2013	327,099,000
Recommended in the bill	327,099,000
Bill compared with:	
Appropriation, fiscal year 2012	−72,901,000
Budget estimate, fiscal year 2013	– – –

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 $327,099,000 for Border Security Fencing, Infrastructure, and Technology (BSFIT), as requested and $72,901,000 below the amount provided in fiscal year 2012. The Committee recommends $188,816,000 for development and deployment, which will fund technology and tactical infrastructure investment, including $10,000,000 for Northern border technology and $40,000,000 for tactical communications; and $138,283,000 for operations and maintenance, as requested. The Committee appreciates movement of OTIA personnel to Salaries and Expenses. The bill withholds funds from Salaries and Expenses until the Commissioner submits the updated multi-year investment and management plan required with the fiscal year 2014 budget request.

While it is clear that the Border Patrol requires additional tools and technology to execute its critical mission, the Committee remains concerned about CBP's execution of BSFIT funds consistent with the Administration's assertion that the Arizona Border Technology Plan funds commercial off-the-shelf technologies that can be rapidly deployed. In January 2011, the effort was officially launched though planning had been ongoing. More than 16 months later, BSFIT funds for the Arizona Plan remain largely unobligated, and many major procurement actions have not yet been awarded, including the Remote Video Surveillance Systems (RVSS).

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

	Budget estimate	Recommended
Development and Deployment:		
Southwest Border Technology	$138,816,000	$138,816,000
Northern Border Technology	10,000,000	10,000,000
Tactical Communications	40,000,000	40,000,000
Subtotal, Development and Deployment	188,816,000	188,816,000
Operations and Maintenance	138,283,000	138,283,000
Total, BSFIT	$327,099,000	$327,099,000

SOUTHWEST BORDER TECHNOLOGY

The Committee admonishes CBP for the significant and unacceptable delays in procurement actions associated with the Arizona Border Technology Plan. By the Department's own statements, the procurement schedule was devised to purchase and rapidly deploy off-the-shelf technology to meet the Border Patrol's necessary mission requirements. Yet, 16 months after the announcement of such plan, none of the procurements has been timely awarded and all the deployments have been delayed. CBP's procurement schedule will be published in the Committee's hearing volume for fiscal year 2013, comparing the original and updated target dates. While CBP has issued two requests for proposals covering RVSS replacement, new RVSS, and Integrated Fixed Towers (IFT) in the past two months, the deployment of these capabilities is not realistically completed before fiscal years 2014 and 2015. Compounding CBP's failures and delays, many of the technologies have not met CBP ex-

pectations in terms of being adequately ruggedized for the Border Patrol environment and functioning as promised from the start.

The Committee notes that, as of January 31, 2012, CBP has $732,797,651 in unobligated balances in BSFIT, including $353,403,657 from fiscal year 2011 and prior years. For IFT, CBP has $117,000,000 in unobligated funds plus the request of $92,000,000 for fiscal year 2013. However, according to CBP's procurement schedule, only one of the systems should be completed before fiscal year 2014, and two systems will not start deployment until fiscal year 2014. Recognizing the long-lead time for deployment of these capabilities, the Committee recommends rescission of $40,412,000 from prior appropriations for IFT to apply those funds to CBP Air and Marine operations, supporting a significant increase in the proposed flight hours. These funds will provide immediate border security operational benefit while enabling CBP to maintain its IFT investments and deployments as currently planned.

The Committee directs CBP to move expeditiously and appropriately to award and deploy these capabilities no later than its current schedule. Since 2005, the Committee has aggressively supported the significant increase and sustainment in agents, the deployment and maintenance of fencing and other tactical infrastructure, and the continued investment in air assets. Given these investments, fixed surveillance technology stands as the last remaining major investment needed to adequately equip the Border Patrol with the tools to fulfill its vital mission. The Committee will not tolerate additional delays attributed to mere bureaucratic causes. Congress has provided strong support year after year to ensure Border Patrol agents have the tools they need to perform their critical mission. Further bureaucratic delays fail those agents and risk border security—outcomes the Committee will not abide.

In developing the multi-year investment and management plan for BSFIT funds, the Committee directs CBP to assess the deployment of fixed versus mobile capabilities for border security surveillance, including the short and long-term costs and benefits of different assets. Such an assessment is valuable given the flexibility associated with mobile assets, including airborne assets; the continual improvements in available technologies; the long lead time for deploying fixed capabilities; and intelligence associated with how adversaries adapt to avoid fixed assets.

OPERATIONS, MAINTENANCE, AND SUPPORT

The Committee includes $138,283,000, as requested, for the operation and maintenance of systems and infrastructure deployed with BSFIT funding, including $3,000,000 requested for environmental mitigation deemed necessary as a direct result of construction, operations, and maintenance activities for border security.

REPORTING AND BRIEFING REQUIREMENTS

The bill continues the requirement for a multi-year investment and management plan for BSFIT funds to be submitted simultaneously with the fiscal year 2014 budget request. The Committee also directs CBP to continue to brief the Committee on a quarterly basis on the status of BSFIT programs and investments. As a new requirement, given the significant delays in procurements related

to the Arizona Border Technology Plan, the Committee directs CBP to provide weekly notification on procurement actions on each technology investment until all initial contract awards have been made.

OFFICE OF TECHNOLOGY INNOVATION AND ACQUISITION

The Committee has encouraged CBP to innovate and improve management of its operations on a continuous basis, particularly in procuring and incorporating technology. At the same time, the Committee is concerned about the internal upheaval associated with the establishment of OTIA. The Committee encourages CBP to limit reorganization of programs under OTIA and instead utilize the expertise within OTIA to support more efficient, effective program management across CBP—keeping the focus on delivering for the mission. The Committee will continue to monitor the role OTIA plays in CBP's major programs.

COOPERATION WITH DEPARTMENT OF DEFENSE

The Committee continues to encourage CBP to work with the Department of Defense (DOD) to adapt and leverage proven DOD technologies for CBP's border security mission. Cooperative efforts with DOD have resulted in deployment of promising capabilities at a lower cost. The Committee is aware that CBP has begun discussions with DOD on a formal Memorandum of Understanding (MOU) to outline their cooperative efforts and ensure that all appropriate DOD entities are included. Therefore, the Committee directs CBP to ensure negotiations do not hamper ongoing cooperative efforts and to finalize the MOU no later than December 1, 2012 to facilitate better coordination and rapid deployment of proven technologies.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

Appropriation, fiscal year 2012	$503,966,000
Budget estimate, fiscal year 2013	435,769,000
Recommended in the bill	518,469,000
Bill compared with:	
Appropriation, fiscal year 2012	+14,503,000
Budget estimate, fiscal year 2013	+82,700,000

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 other law enforcement agencies.

RECOMMENDATION

The Committee recommends $518,469,000 for Air and Marine Interdiction, Operations, Maintenance, and Procurement, $82,700,000 above the amount requested and $14,503,000 above the amount provided in fiscal year 2012. The funding includes $400,399,000 for operations and maintenance, and $118,070,000 for procurement. The procurement funds include increases as follows:

$21,500,000 for purchase of an additional multi-enforcement aircraft, a high priority for CBP, particularly important given the increasing aircraft retirements CBP expects; $11,000,000 to continue the P–3 SLEP of 14 aircraft; and $18,600,000 to purchase and deploy proven, advanced airborne surveillance capabilities.

INADEQUATE BUDGET REQUESTS

For many years, it has been apparent that the Administration's budget requests shortchange Air and Marine operations and procurement expecting Congress to provide the funds necessary to maintain critical air assets and upgrade and standardize the fleet to meet CBP's mission needs as well as CBP's growing support of other agencies. As an example, the operational flight hours have shrunk dramatically in recent years. The flight hours estimated for the fiscal year 2013 budget request are the lowest in CBP history at 65,000. In fiscal year 2006, Air and Marine flew 87,000 hours; in fiscal year 2010, flight hours peaked at 107,000; and in fiscal year 2012, CBP projects only 81,400 hours. The Committee finds these reductions unacceptable, particularly recognizing the impact of the proposed cuts on CBP's operational effectiveness along and beyond our immediate borders. CBP's air assets are critical to intelligence, surveillance, reconnaissance; mobility of agents; and agent safety.

CBP must continually invest in its aircraft to maintain and upgrade its fleet. Just under half of the aircraft are over 33 years old and showing signs of operational stress. That is why the Committee has strongly supported CBP's recapitalization plan, and Congress has repeatedly provided funding over the request. However, the plan was completed in 2006, and needs and technologies have changed since that time. The Committee is still awaiting submission of the new five-year recapitalization plan required in Public Law 112–74. In this bill, the Committee directs CBP to provide any updates necessary to the recapitalization plan with the President's fiscal year 2014 budget request to enable appropriate oversight of CBP's plans for this important component of border security operations and mission.

UNMANNED AIRCRAFT OPERATIONS

The Committee recommends an increase above the request of $18,600,000 for purchase, deployment, and operations of proven, advanced airborne surveillance capabilities, including, but not limited to, sensors and associated software, to be used on CBP's existing unmanned aircraft systems (UAS). The Committee understands that CBP has conducted operational tests with DOD on promising technologies that provide long-overdue surveillance capabilities, a good example of the results the Committee anticipates as CBP and DOD collaborate on on border security capabilities. The Committee encourages CBP to incorporate such capabilities into its detection, identification, and interdiction strategies and tactics.

ASSETS IN THE SOURCE AND TRANSIT ZONES

The value of the P–3 fleet in supporting U.S. counter-narcotics efforts in the source and transit zone is incontrovertible. From fiscal years 2007 through 2011, the P–3 fleet was directly engaged in

the seizure or disruption of 863,092 pounds of narcotics valued at more than $9,700,000,000. For every hour flown, that amounts to 27.9 pounds seized. For that reason, the Committee strongly supports CBP's efforts to continue its service life extension program (SLEP) for the P–3 fleet. The Committee recommends an increase of $11,000,000 over the request toward completion of the SLEP for the 14 aircraft currently in the program.

COOPERATION WITH DEPARTMENT OF DEFENSE

As with the BSFIT account, there are opportunities for CBP to partner with DOD in developing, deploying, and maintaining air and marine surveillance and interdiction capabilities. The Committee directs CBP to include air and marine capabilities in its MOU with DOD.

Further, the Committee is aware that interagency discussions are again underway related to the administration of the Tethered Aerostat Radar System (TARS) program. TARS surveillance data is used by CBP and by the Joint Interagency Task Force-South in support of border security and counter-drug operations. The aerostats, which are owned and operated by the Air Force, have not been maintained for a number of reasons. However, the Committee does not believe that an alternative means of supporting operational needs for surveillance data has been deployed. For that reason, the Committee is concerned about the reduced capability, particularly in the Caribbean, and encourages CBP to work with DOD and other interagency partners to develop a short term solution to address reduced capability as well as the right long term solution—whether that is transfer of the assets, DOD repair of current assets, replacement with other technology or capability, or other solutions.

U.S. SECURITY INTERESTS IN THE CARIBBEAN

The Committee is deeply concerned about the level of violent crime in the two U.S. jurisdictions in the Caribbean, Puerto Rico and the U.S. Virgin Islands, which are home to over 3.8 million residents. In particular, the Committee notes that the homicide rate in each jurisdiction is about six times the national average and about three times higher than any other U.S. jurisdiction; some estimates indicate that most of these homicides are associated with illegal narcotics trafficking. The public safety and security issues of the U.S. territories in the Caribbean must be a priority. The Committee expects that the Secretary will allocate the resources, assets, and personnel to these jurisdictions in a manner and to a degree consistent with that principle.

PUERTO RICO TRUST FUND

The deployment of marine assets in Puerto Rico has been funded by the collections of duties and taxes that are deposited in the Puerto Rico Trust Fund. The Committee understands that, because collections have decreased in certain years, CBP has terminated certain operations in the Caribbean Air & Marine Branch (CAMB). The Committee directs CBP to brief the Committee no later than 180 days after the date of enactment of this Act detailing its operations in Puerto Rico and its budgetary decisions affecting those

operations, including the funding available in the Puerto Rico Trust Fund.

AIR AND MARINE OPERATIONS CENTER

The Committee encourages CBP to move forward with its analysis of alternatives for expansion of facilities at the Air and Marine Operations Center (AMOC) and modernization of AMOC systems. The AMOC is a critical national asset that continues to play a key role in border security, airspace security, and emergency response efforts, as appropriate. The Committee directs CBP to brief on its assessment of AMOC needs as well as the schedule and cost associated with any modernization plans no later than December 1, 2012.

AVAILABILITY OF FUNDS

Recognizing that a portion of the funds in this account are operations and maintenance while the larger portion is procurement, the Committee directs CBP to consider proposing one-year availability for the operations and maintenance funds in the fiscal year 2014 request. Should CBP determine that one-year availability is not sufficient, the Committee directs CBP to note the rationale in the fiscal year 2014 request for not requesting one-year availability.

CONSTRUCTION AND FACILITIES MANAGEMENT

Appropriation, fiscal year 2012	$236,596,000
Budget estimate, fiscal year 2013	243,666,000
Recommended in the bill	252,567,000
Bill compared with:	
Appropriation, fiscal year 2012	+15,971,000
Budget estimate, fiscal year 2013	+8,901,000

MISSION

The Construction and Facilities Management account funds 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 $252,567,000 for Construction and Facilities Management, $8,901,000 above the request and $15,971,000 above the amount provided in fiscal year 2012. The funding includes $195,218,000 for Facilities Construction and Sustainment and $57,349,000 for Program Oversight and Management, reduced by the amount for the proposed pay raise.

INVENTORY AND PLAN

The Committee recently received CBP's real property inventory required by law, though it was submitted late. The inventory, however, did not delineate any plans for activities or projects or their associated costs. The information necessary for accountability to the American taxpayer and for this Committee's oversight is entirely lacking. The requirement for submission of the real property inventory on an annual basis is continued, to include cost information. Reductions were made to the request for the Office of Administration as a result.

PROGRAM MANAGEMENT COSTS

The program management costs in this appropriation remain high, despite the reduced activity since ARRA funds have been executed. The Committee directs CBP to report to the Committee no later than July 1, 2012 regarding the need for 24 percent of the funds to go to program management rather than facilities projects.

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$5,528,874,000
Budget estimate, fiscal year 2013	5,296,692,000
Recommended in the bill	5,236,331,000
Bill compared with:	
Appropriation, fiscal year 2012	−292,543,000
Budget estimate, fiscal year 2013	−60,361,000

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 two major divisions: Office of Investigations and Enforcement and Removal Operations.

RECOMMENDATION

The Committee's direction to ICE has been consistent and clear: enforce the law. The bill continues a provision directing the Secretary to enforce the immigration laws of the United States. Robust resources are provided to ICE to that end. The Committee recommends $5,236,331,000 for Salaries and Expenses, $60,361,000 below the amount requested and $292,543,000 below the amount provided in fiscal year 2012—the reduction largely reflects the realignment of $161,564,000 from Salaries and Expenses to Automation Modernization to provide visibility into ICE's Information Technology expenditures. After allowing for this adjustment and other recommended funding realignments, the Committee's recommendation reflects an increase of $90,896,000 above the request to ensure robust enforcement of our Nation's immigration laws.

Within this amount, the Committee supports maintenance of no fewer than 34,000 detention beds and funds the 287(g) program to the fiscal year 2012 level. Additionally, $138,249,000 is provided to complete nationwide deployment of the Secure Communities pro-

gram. The Committee denies the proposed pay raise across PPAs, for an overall reduction of $14,083,000. The Committee approves the transfer of overstay analysis from US-VISIT to ICE and increases the amount proposed for transfer to Domestic Investigations by $2,307,000.

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

	Budget estimate	Recommended
Headquarters Management and Administration		
Personnel, Services and Other Costs	$220,122,000	$226,207,000
Headquarters-Managed Information Technology Investments	157,188,000	– – –
Subtotal, Headquarters Management and Administration	377,310,000	226,207,000
Legal Proceedings	207,580,000	207,041,000
Domestic Investigations	1, 672,526,000	1,686,859,000
International Investigations		
International Operations	110,370,000	115,122,000
Visa Security Program	32,616,000	34,561,000
Subtotal, International Investigations	142,986,000	149,683,000
Intelligence	78,748,000	78,452,000
Detention and Removal Operations		
Custody Operations	1,959,363,000	2,026,343,000
Fugitive Operations	132,925,000	145,325,000
Criminal Alien Program	216,724,000	216,510,000
Alternatives to Detention	111,590,000	91,460,000
Transportation and Removal Program	258,227,000	270,202,000
Subtotal, Detention and Removal Operations	2,678,829,000	2,749,840,000
Secure Communities	138,713,000	138,249,000
Total, ICE Salaries and Expenses	$5,296,692,000	$5,236,331,000

ICE HEADQUARTERS MANAGEMENT AND ADMINISTRATION

The Committee recommends $226,207,000 for ICE Headquarters Management and Administration, $151,103,000 below the requested level, due largely to the realignment of headquarters-managed IT investment to Automation Modernization. The pay raise funds are not included; 287(g) funding is restored; and $2,000,000 in additional efficiencies is taken to support ICE's critical international investigative efforts through its vetted units.

CONGRESSIONAL BUDGET JUSTIFICATION

The quality of the Congressional Budget Justification material provided by the Department for ICE improved in fiscal year 2013. However, ICE provided significant information at its budget briefing that could be included in the official justification for greater accountability to the American taxpayer. ICE, in conjunction with the Chief Financial Officer, is encouraged to work with the Committee to further improve the Congressional Budget Justifications materials for fiscal year 2014 and beyond.

IMMIGRATION PROCEEDINGS

The Committee does not support the proposed transfer authority for $5,000,000 from ICE to the Executive Office for Immigration Review (EOIR) to bolster the Legal Orientation Program. However, given the extensive caseload pending before immigration law judges and the Committee's interest in continued, strong immigra-

tion enforcement efforts, the Committee, through the proper Subcommittee of jurisdiction for the Department of Justice, recommended an increase for EOIR above the fiscal year 2012 level and consideration of lifting EOIR's current hiring freeze.

While the Committee commends ICE for identifying extensive administrative savings and efficiencies, the Committee wants to ensure that such reductions do not adversely impact ICE operations. The Committee directs the ICE CFO to provide additional detail regarding proposed savings and efficiencies no later than September 1, 2012.

Further, the Committee is disappointed in the lack of information ICE has provided regarding the embezzlement and kick-back scheme uncovered last year in the Office of Intelligence. While the investigation continues to result in additional indictments and actions released by the U.S. Attorney's Office, the Committee has not been briefed on continuing issues, actions, or corrective measures by ICE. Therefore, the Committee directs ICE to report no later than September 1, 2012 on all corrective actions and controls instituted to prevent recurrence of such behavior.

ICE DOMESTIC INVESTIGATIONS

The Committee recommends $1,686,859,000 for ICE domestic investigatory programs, including the following changes to the request: a reduction reflecting the denied pay raise; an increase restoring 287(g) funding; a total of $19,917,000 transferred from US–VISIT for overstay analysis; a $10,000,000 reduction realigning responsibility for illegal aliens on parole/probation to ERO; a realignment of $3,000,000 to International Operations for ICE vetted units overseas; an increase of $11,000,000 for human trafficking investigations and an awareness campaign. 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.

Of the amount dedicated for the Southwest Border Initiative, particularly Border Enforcement Security Task Forces, no less than $5,000,000 is directed to ICE intelligence and investigative programs to combat border violence and organized crime, particularly along the El Paso-Juarez corridor in view of recent acts of violence against U.S. citizens.

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 working closely with the Department of Justice and with Mexican law enforcement partners to further collective investigative efforts through this means.

VETTED UNITS

The Committee strongly supports ICE's transnational criminal investigative unit program, through which ICE has established vetted units of select foreign partner agency personnel in their countries. As the budget request did not specify funds for this program and ICE's access to other sources of funds continues to diminish, the Committee increased the request for International Operations

by $5,000,000. Of the total amount provided for International Operations, no less than $8,000,000 shall be for ICE's vetted units.

VISA SECURITY PROGRAM

The Committee recommends $34,561,000 for the ICE Visa Security Program (VSP), an increase of $2,000,000 above the request to support pre-adjudication vetting of visa applicants. In fiscal year 2012, funds were provided to expand the program. The Committee directs ICE to provide a classified briefing no later than November 1, 2012 on the VSP and progress to deploy to expanded locations.

OVERSTAY ANALYSIS

The Committee recommends a total of $19,917,000, $2,307,000 above the request, in Domestic Investigations for overstay analysis activities previously performed by US-VISIT. ICE is the mission owner for visa-overstay investigations and operations. As such, the Committee believes that consolidation of the overstay analysis activities with operations will provide efficiencies and ensure clear accountability.

The Committee continues to be concerned about the identification, resolution, and enforcement of visa overstays. ICE is in a better position to enforce overstay violations now that it is directly responsible for this analysis. Additionally, the Committee recommends transferring ADIS to ICE, so that ICE has management of the system and complete accountability. The Committee, therefore, directs ICE to provide semi-annual briefings on the overstay backlog elimination effort; to ensure that similar backlogs do not arise again in the future; and to update the Committee on its overstay enforcement strategy. Further, the Committee directs ICE to brief the Committee no later than December 1, 2012 on the number of visa overstays in the United States by nationality and actionable measures ICE will take to reduce the overstay population.

COMBATTING HUMAN TRAFFICKING

The Office of Investigations (OI) plays a critical role in combating severe forms of trafficking, investigating criminal organizations trafficking individuals into and within the United States, and in stopping this heinous crime. The Committee encourages ICE 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. In addition, the Committee directs ICE to identify potential victims of human trafficking and slavery early in any ICE or ICE-led investigations and provide informational materials and referrals for victim assistance as quickly as possible.

Congress has strongly supported ICE's efforts in countering human trafficking, including the efforts of the Human Smuggling and Trafficking Center. For fiscal year 2013, the Committee recommends an increase of $11,000,000 above the request for ICE's human trafficking and smuggling investigations, including no less than $1,200,000 to further the Hidden in Plain Sight public outreach campaign under the Blue Campaign umbrella. The Com-

mittee directs ICE to brief the Committee no later than 60 days after the date of enactment of this Act on its plans for these funds.

The Committee applauds DHS for its efforts to bolster human trafficking training and awareness through its Blue Campaign. For that reason, the Committee directs DHS to highlight funds related to the Blue Campaign in the congressional budget justification materials accompanying the fiscal year 2014 budget request.

The Committee continues to support 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.

WORKSITE ENFORCEMENT

The Committee recommends $134,626,000 for worksite enforcement activities, as requested. While enforcement actions associated with worksite enforcement dropped significantly in 2009 after the Administration announced its worksite enforcement strategy, the Committee notes that the number of such actions rose in fiscal year 2011. Criminal arrests related to worksite enforcement investigations increased for the first time since fiscal year 2008, for a total of 713, from 393 in fiscal year 2010. Similarly, administrative arrests also increased to 1,471 in fiscal year 2011 from 1,224 in fiscal year 2010.

The Administration has emphasized I–9 inspections as part of its worksite enforcement strategy, but the Committee has not yet seen strong enforcement results based upon these inspections. The Committee directs ICE to focus on producing enforcement results based on the I–9 inspections.

The Committee directs ICE to continue its quarterly briefings on worksite enforcement efforts no later than 30 days after the end of each quarter. The Committee directs ICE to provide an annual report on the number of worksite enforcement investigations opened and closed, employee and employer arrests—both criminal and administrative, and the fines assessed and collected each fiscal year. This report shall be submitted to the Committee within 45 days after the end of each fiscal year. The Committee also directs that the report for fiscal year 2011 should include the same statistics for fiscal years 2007–2010.

INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT

The Committee believes that Intellectual Property Rights (IPR) enforcement is an important part of ICE's investigative missions. The Committee supports the efforts of the National IPR Coordination Center, which stands at the forefront of the U.S. Government's response to global intellectual property theft. The Center provides an invaluable forum to access expertise of member agencies, share information, develop initiatives, coordinate enforcement actions, and conduct investigations. The Committee recommends no less than $10,187,000 for the Center, as requested. ICE is directed to report to the Committee on the number of agents in the United States and abroad dedicated to IPR investigations and the number of hours spent by agents in fiscal year 2012 on IPR investigations.

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 2014 budget request on its actual and projected obligations of this funding, covering any updates from last year's reports and including fiscal year 2012 actuals, fiscal year 2013 projections, and fiscal year 2014 proposed. The report should include staffing levels by fiscal year and a five-year enforcement plan for transshipment violations.

CYBERCRIMES

ICE's Cyber Crime Center (C3) delivers computer-based technical services to ICE components to support domestic and international investigations into cross-border crime, particularly such crimes conducted on or facilitated by the internet. C3 includes a fully equipped computer forensics laboratory, which specializes in digital evidence recovery, and supports the computer forensics agents located at ICE field offices domestically and abroad. To facilitate the important work of these agents and to ensure C3 is aware of the latest technological innovations, as technology continually changes, the Committee encourages ICE to undertake a requirements process for modernizing its computer forensics capabilities and managing the data it examines as part of its investigations.

INTELLIGENCE

For the Office of Intelligence, the Committee recommends $78,452,000, $296,000 below the request. The Committee notes that while ICE has aligned the Office of Intelligence in the Office of Investigations, the Committee continues to show the funding as a separate line. The Committee expects the Office of Intelligence to support all of ICE's operations, including providing robust information to ERO and coordinating with CBP on its assessments of illicit cross-border activities and criminal organizations.

ICE DETENTION AND REMOVAL

The Committee recommends $2,749,840,000 for ICE Detention and Removal, $71,011,000 more than the request, to include: retaining 34,000 as the minimum number of detention bed spaces that ICE must maintain on a daily basis; restoring proposed cuts to the 287(g) program; and moving the budget and responsibility for CBP detainee medical costs to ICE.

The Committee notes that the budget request includes a performance measure, provided pursuant to the Government Performance and Results Act (GPRA) of 1993, on its use of detention beds. The metric provides ICE's detention bed rate under the "midnight man count," meaning the number of ICE detainees in a detention bed as of midnight on a given day. Recognizing that a single metric cannot fully convey a true picture of complex operations, the Committee encourages ICE to include not only the midnight man count but to include another metric that more closely relates to the number of detainees for whom ICE incurs costs on a daily basis. The latter metric provides a different vantage point and more closely

aligns to the cost considerations that are of central importance to the Committee. Further, the Committee does not recognize the midnight man count as equivalent to the statutory mandate for 34,000 detention beds.

As a result of funds provided in fiscal year 2011 and the increase enacted in 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 commends ICE for its efforts to improve its management of detention resources and 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 quarterly 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 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 medical services. The first comprehensive briefing will take place no later than 30 days after the date of enactment of this Act.

DETENTION AND REMOVAL REPORTING

The bill continues language, as requested, ensuring that all illegally present or otherwise removable aliens encountered when enforcing our immigration laws are apprehended. However, the Department does not collect or report comprehensive statistics on all of its encounters with inadmissible and deportable aliens by source as well as the disposition of all such encounters. The Committee continues to direct ICE, in conjunction with CBP and USCIS, to improve its capabilities to provide comprehensive reporting on enforcement actions. Funds are targeted to that effort in the ICE Automation Modernization account. ICE shall provide additional data as it is available in the Border Security Status and Detention and Removal Operations reports.

For fiscal year 2013, ICE is directed to continue reporting quarterly on detention and removal, including the number of deportation, exclusion, and removal orders sought and obtained by ICE. The first fiscal year 2013 quarterly report is to be submitted no later than February 15, 2013.

COOPERATION FROM FOREIGN COUNTRIES ON REPATRIATION

To successfully remove aliens from the United States, ICE requires cooperation from foreign governments on obtaining travel documents and permitting return. ICE incurs significant costs and administrative burdens pursuing removal of aliens with final orders of removal where countries do not cooperate in this effort.

Even more concerning, however, is the impact of the decision in Zadvydas v. Davis, 533 U.S. 678, 121 S. Ct. 2491 (2001). Under Zadvydas, ICE cannot detain such aliens beyond a six month period if there is no significant likelihood of removal in the reasonably foreseeable future. While there are rare exceptions, such as for aliens with highly contagious diseases, aliens who pose serious adverse foreign policy consequences of release, security or terrorism concerns, and aliens found after a hearing to be "specially dangerous" criminal aliens, the Zadvydas decision requires ICE to release nearly all such aliens while ICE continues working to effectuate their removal.

From October 2009 through March 2011, ICE released 12,567 individual aliens, including both criminal and noncriminal aliens, under the terms of the Zadvydas settlement. Of this amount, only 7 percent or 868 individuals were re-booked into ICE custody for meeting exceptions. Media reports have noted the number of criminal aliens who have used this opportunity to again commit grievous crimes in communities across the United States.

In April 2011, ICE signed a Memorandum of Understanding (MOU) with the Department of State Bureau of Consular Affairs (DOS/CA) in an effort to decrease delays in the removal process and increase compliance among countries that systematically refuse or delay repatriation of their nationals. The MOU outlined a number of steps that the U.S. Government would take, including more severe actions such as considering visa sanctions. The Committee directs ICE to provide a detailed report on this issue providing data for fiscal years 2011 and 2012, including: a list of countries that are routinely recalcitrant in providing travel documents or accepting return of their nationals; the average number of days that issuance takes for each country; and the number of aliens by country of origin released from ICE custody due to Zadvydas. Further, ICE shall outline the steps that it has taken, in conjunction with DOS/CA, to facilitate better cooperation with these nations since April 2011, highlighting any progress that has been made as a result. ICE shall submit this report no later than December 1, 2012.

The Committee is gravely concerned about the already realized impacts on public safety of release of criminal aliens due to the impact of Zadvydas. The Committee encourages ICE and DOS/CA to take more dramatic steps, where warranted, to move countries into compliance with their responsibilities under international law.

FUGITIVE OPERATIONS

The Committee recommends $145,325,000 for fugitive operation, including increases over the request to restore 287(g); restores mission support cuts; and realigns $10,000,000 from OI for enforcement related to criminal aliens on probation and parole. The recommendation also includes an increase of $2,000,000 for procurement and operation of mobile, biometric readers for use by Fugitive Operations Team (FOT) to identify all illegal aliens encountered in their operations.

The Committee strongly supports the efforts of the FOTs to locate, arrest, and remove fugitive aliens from the United States. Fugitive aliens include those who have failed to leave the United States based upon a final order of removal, deportation or exclu-

sion, or who have failed to report to ICE after receiving notice to do so. The FOTs are also responsible for locating and arresting at-large convicted criminal aliens. For that reason, the Committee recommends realigning responsibility for prioritizing, locating, and arresting criminal aliens on parole and probation from Domestic Investigations to Fugitive Operations.

CRIMINAL ALIEN PROGRAM

The Committee recommends $216,510,000 for the Criminal Alien Program (CAP), an amount that includes an increase of $656,000 for additional biometric readers for CAP teams.

ALTERNATIVES TO DETENTION

The Committee recommends $91,460,000 for ICE Alternatives to Detention (ATD) programs, including the requested reductions and denying the proposed pay increase. Of the total, $19,903,000 is recommended for expansion, half the proposed increase. 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.

While ATD can be highly effective for the appropriate population, the Committee remains concerned that program goals are hampered by two factors: (1) the Government's ability to move ATD cases through the non-detained docket in a timely manner; and (2) appropriate decisions regarding the type of ATD to apply, specifically the amount of supervision involved. Therefore, the Committee directs ICE to address both of these issues in its utilization of program funds. First, the Committee directs ICE, in partnership with EOIR, to expand the Fast Track pilot programs conducted in Baltimore and Miami through which ATD cases were prioritized in the non-detained docket. As a result of the existing and expanded pilots, ICE shall identify and implement actionable best practices for non-detained docket processing to reduce the cycle time on ATD and associated costs. ICE shall brief the Committee quarterly on the Fast Track pilots and the progress being made towards these goals.

Second, with respect to the appropriate supervision level, the Committee expects ICE to utilize the appropriate level of supervision warranted by the individual enrolled in ATD. The Committee has become aware that, in the past two years, ICE has increased the use of "telephonic reporting only" where the participant is called once a month (from 3,092 to 10,346, an increase of 234 percent), which is the least restrictive and lowest cost option. However, unfortunately, it is also the least effective means of successful removal—at 47 percent. The Committee emphasizes that effective ATD should result in timely, final disposition by the immigration court and, in most cases, successful removal.

SECURE COMMUNITIES

The Committee continues its strong support of the Secure Communities program and recommends $138,249,000, to complete its deployment nationwide. Despite the Administration's delay of deploying Secure Communities fully in Alabama, the program con-

tinues to deploy apace. The Committee expects and encourages full deployment as early as March 2013. In fiscal year 2014, the Committee expects Secure Communities to become part of ICE's steady-state operations. As such, continuing a separate funding line should no longer be necessary. However, the Committee expects to continue receiving enforcement data pertaining to Secure Communities.

The Committee remains gravely concerned about State and local jurisdictions flouting ICE detainers and releasing aliens who clearly pose a risk to public safety. Further, the Committee can imagine a scenario by which an alien who poses a national security risk slips through law enforcement fingers as a result of such a release. The Committee directs the Department to update the Committee no later than September 1, 2012 on the number of jurisdictions failing to honor ICE detainers, the number of individuals released as a result, and the number of those individuals remaining at large as a result.

As in past years, the Committee requires ICE to continue quarterly reporting on the Secure Communities program, including requirements outlined in the Joint Explanatory Statement accompanying the fiscal year 2012 DHS Appropriations Act (P.L. 112–74) and to submit those reports within 45 days of the close of the quarter. Further, funds were provided in fiscal year 2012 to undertake digitization of paper fingerprint cards from legacy immigration files. The Committee directs ICE to provide an update on this effort no later than July 1, 2012.

ICE SUPPORT TO STATE AND LOCAL LAW ENFORCEMENT

The Committee's recommendation restores funding for the 287(g) program across PPAs as the cuts were proposed, ensuring that no less than $68,321,000 is applied to this program. The Committee continues to support 287(g) as a key program to assist the Federal Government in effective enforcement of immigration laws. ICE's cross-designation of more than 1,500 State and local patrol officers, detectives, investigators and correctional officers allows them to pursue a wide range of investigations, such as human smuggling, gang/organized crime activity, and money laundering. In addition, participating entities are eligible for increased resources and support in more remote geographical locations.

Every law enforcement organization has a strong interest in upholding the highest standards of conduct and avoiding the unlawful use of race, ethnicity, and national origin in law enforcement activities. Until the Department releases its Secure Communities training module on this topic, the Committee directs ICE to immediately make available, to all law enforcement entities, the 287(g) training materials associated with avoiding racial and ethnic profiling. If ICE determines that such materials are not adequate, ICE shall immediately notify the Committee as to why and then work with the Department of Justice to ensure immediate access to appropriate materials. ICE shall notify the Committee no later than 15 days after the date of enactment of this Act on the specific steps taken to comply with this direction as well as the expected date of release of the Secure Communities training module. The Committee continues a provision first enacted in the fiscal year 2009 DHS 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 continues to be interested in ensuring that ICE maintains appropriate detention standards and notes that tremendous progress has been made in the past six years toward that end, including necessary reforms initiated by the prior Administration and continued under the current Administration. However, the Committee questions whether the recently-issued 2011 Performance-Based National Detention Standards (PBNDS) require services beyond what is appropriate or necessary. Further, it is evident that ICE did not consider cost in assessing these requirements. In developing future iterations of the PBNDS and in contracting for detention services, ICE shall consider the cost implications of its requirements and budget accordingly.

Further, in ensuring that ERO operations and detention facilities meet the standards, the Department and ICE have instituted duplicative layers of oversight and bureaucracy that may actually hamper effective operations. The Committee encourages ICE leadership to consider streamlining the many ICE offices and complaint processes that are in place today. Further, before creating any new positions or offices responsible for overseeing or engaging in issues related to detention and removal operations, ICE is directed to document why the new position or office is necessary, how much the position or office will cost, and how such a position or office does not duplicate responsibilities and functions already instituted in another position or organization.

The Committee has encouraged ICE to consider compliance with the requirements of the Prison Rape Elimination Act (PREA) in its detention operations. On March 8, 2012, in testimony before the Committee, the ICE Assistant Secretary stated that ICE will comply with the PREA and, in fact, may be the first major detention system to be fully compliant. The Committee applauds ICE's efforts in this area.

HIRING AND STAFFING REPORTS

The Committee directs ICE to continue submitting staffing and hiring reports but on a quarterly basis.

AUTOMATION MODERNIZATION

Appropriation, fiscal year 2012	$21,710,000
Budget estimate, fiscal year 2013	30,500,000
Recommended in the bill	232,006,000
Bill compared with:	
Appropriation, fiscal year 2012	+210,296,000
Budget estimate, fiscal year 2013	+201,506,000

MISSION

The Automation Modernization account funds major information technology projects and operations for ICE.

RECOMMENDATION

The Committee recommends $232,006,000 for Automation Modernization, an increase of $201,506,000 above the request. The sig-

nificant increase above the request and prior years reflects two significant realignments of funding: (1) $161,564,000 from Salaries and Expenses to consolidate funds for Information Technology in one account; and (2) $41,042,000 from US–VISIT for the management of the Arrival Departure Information System (ADIS) that is essential to overstay analysis operations transferred to ICE's Office of Investigations. The recommendation for IT investment denies the proposed pay raise and restores $4,505,000 associated with the budget request proposal to reduce the 287(g) program, which the Committee rejects. The funding level is reduced by $1,100,000 due to ICE's failure to provide statutorily required reports and due to the flawed budget request regarding CBP's access to fee collections. The following table illustrates funding by PPA:

	Budget estimate	Recommended
IT Investment	– – –*	$201,506,000
TECS Modernization	$23,000,000	23,000,000
Detention and Removals Modernization	4,000,000	4,000,000
Electronic Health Records	3,500,000	3,500,000
Total, Automation Modernization	$30,500,000	$232,006,000

*Request in Salaries and Expenses is $157,188,000.

TECS MODERNIZATION

The Committee directs CBP and ICE to brief the Committee no later than September 1, 2012 on the status of modernization efforts. In addition, the bill continues 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. This plan is necessary for the Committee's oversight activities.

OTHER MODERNIZATION EFFORTS

The Committee strongly supports the eHR (electronic health records) initiative for detainees, though funding required to support frontline operations must be the priority. The Committee encourages ICE to look for creative ways within funds available to more efficiently and effectively manage detainee health records while it is working towards eHR.

The Committee also notes that the limitations of ICE's IT systems are severely hampering ICE's ability to quickly and accurately report operations and enforcement data, particularly to the Congress. As a result, the Committee directs ICE to dedicate no less than $2,000,000 from IT investment funds in fiscal year 2013 to begin improving these capabilities, starting with enhancements to the Crime Entry Screen and the Automated Threat Prioritization system to facilitate unique identification of criminal aliens encountered and processed.

ADIS

The Committee recommends transfer of full responsibility for overstay analysis from US–VISIT to ICE, which includes the man-

agement of ADIS. A total of $41,042,000 is included in Automation Modernization as a result.

IMPROVING TECHNOLOGY TO REDUCE DUPLICATION OF EFFORT

Since fiscal year 2008, ICE has spent approximately $12,000,000 for a contractor to upgrade the Alien Criminal Response Information Management System (ACRIMe) to allow ICE's field personnel to review the Law Enforcement Support Center's research on immigration status inquiries of individuals arrested or encountered by local law enforcement agencies. In an April 2012 report (OIG–12–64), the OIG noted that the initial attempt to modernize ACRIMe did not function as intended. For that reason, ICE hired a new contractor in October 2011, but it does not have a new timeline for ACRIMe improvements. The Committee directs ICE to brief the Committee no later than 90 days after the date of enactment of this Act on its milestones and costs for ACRIMe modernization to address this operational problem.

CONSTRUCTION

Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	$5,000,000
Recommended in the bill	5,450,000
Bill compared with:	
Appropriation, fiscal year 2012	+5,450,000
Budget estimate, fiscal year 2013	+450,000

MISSION

The Construction account supports maintenance of ICE's owned and directly leased facilities.

RECOMMENDATION

The Committee recommends $5,450,000 for Construction, an increase of $450,000 above the request. ICE is commended for delineating the projects and funding levels requested for this account. As the Committee is aware of additional facility and maintenance needs, additional funds are included. The Committee directs ICE to provide updated costs and project information in periodic briefings.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

Appropriation, fiscal year 2012	$5,253,956,000
Budget estimate, fiscal year 2013	5,098,639,000
Recommended in the bill	5,041,230,000
Bill compared with:	
Appropriation, fiscal year 2012	−212,726,000
Budget Estimate, fiscal year 2013	−57,409,000

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 $5,041,230,000 for Aviation Security, $57,409,000 below the amount requested and $212,726,000 below the amount provided in fiscal year 2012. 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 PPA is as follows:

	Budget Estimate	Recommended
Screening Operations	$4,022,439,000	$3,969,569,000
Aviation Security Direction and Enforcement	1,076,200,000	1,071,661,000
[Mandatory Aviation Security Capital Fund [1]]	[250,000,000]	[250,000,000]
Subtotal, Aviation Security	$5,098,639,000	$5,041,230,000

[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 $2,070,000,000 in current aviation security user fees, the same amount the budget claims, and $40,000,000 above the fiscal year 2012 collection estimate. These fees will be collected from both aviation passengers and the airlines and will partially offset the Federal appropriation for aviation security. However, it is important to note that the Committee estimate does not reflect implementation of the Administration's proposed increase in aviation security fees, which resulted in nearly $115,000,000 in chimerical offsets, because necessary new authorization legislation has not been enacted—legislation that is not under the jurisdiction of this Committee. Because of the Administration's continued reliance upon the unauthorized, fictitious offset of increased aviation security fees, the Committee has been forced to reduce the funding for every management and administrative office across the Department.

SCREENING OPERATIONS

The Committee recommends $3,969,569,000 for passenger and baggage screening operations, $52,870,000 below the amount requested and $198,062,000 below the amount provided in fiscal year 2012. This recommendation would support current operations and all currently programmed acquisitions, including 1,250 Advanced Imaging Technology (AIT) systems for passenger screening and Advanced Technology x-ray systems. However, the recommendation does not fund the proposed fiscal year 2013 pay raise and reflects a reduction of 75 Behavior Detection Officers (BDOs), returning to the fiscal year 2012 level of full time equivalent officers. It also reflects a funding level of $100,000,000 for Explosive Detection System (EDS) procurement and installation, rather than the $117,349,000 requested. An increase of $15,000,000 above the level provided in fiscal year 2012 is provided for the Screening Partnership Program (SPP) to support expansion to at least one additional airport and accommodate other applicants. The Committee emphasizes that the cuts to Personnel, Compensation, and Benefits and to the BDO program are in part offset by increases to the SPP pro-

gram, and reflect the Committee's intention that TSA move aggressively toward a leaner organizational and mission approach to its screening and security missions. The Committee believes there must be a better balance between personnel and technology, public and private capabilities, and increased use of risk-based strategies in organization, operations, staffing, and acquisitions.

As in fiscal year 2012, the Committee for fiscal year 2013 has chosen to make these reductions primarily to compensate for the lack of aviation security fee revenue built into the Administration's budget. The Committee recognizes the need to recapitalize the EDS technology currently in place throughout the Nation and expects that TSA will ensure that funding provided is targeted at those systems most in need of replacement or upgrades. The reduction in BDOs is taken in part because the positions are not directly tied to passenger processing and because, notwithstanding the fact that BDO's afford another "layer" of security, TSA has yet to demonstrate clear evidence that deployment of BDOs provides protection against potential aviation security threats.

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

	Budget Estimate	Recommended
Screener Workforce:		
Privatized Screening	$143,190,000	$158,190,000
Screener Personnel, Compensation and Benefits	3,107,649,000	3,057,128,000
Subtotal, Screener Workforce	3,250,839,000	3,215,318,000
Screener Training and Other	225,012,000	225,012,000
Checkpoint Support	120,239,000	120,239,000
EDS/ETD Systems:		
EDS Procurement and Installation	117,349,000	100,000,000
Screening Technology Maintenance and Utilities	309,000,000	309,000,000
Subtotal, EDS/ETD Systems	426,349,000	409,000,000
Total, Screening Operations	$4,022,439,000	$3,969,569,000

PRIVATIZED SCREENING

The Committee recommends $158,190,000 for privatized screening, $15,000,000 above the amount requested and $13,997,000 above fiscal year 2012. Sixteen airports currently participate in the Screening Partnership Program (SPP). The Committee notes that TSA has changed its disposition toward considering new applicants to the program, prompted in part by Congressional action, and has recently approved the application of a seventeenth candidate airport. The Committee has, therefore, increased funding above the fiscal year 2012 level to ensure adequate resources to support potential new SPP participants and to encourage TSA to make greater use of the valuable program. In addition, the Committee expects TSA, as it assesses those airports that seek to renew their contracts or those that are new applicants, will keep stakeholders at such airports fully informed and consulted prior to implementation of any status changes. The Committee expects TSA to approve applications of airports seeking to participate in the SPP that meet legislatively mandated criteria. The Committee notes that the recently enacted Federal Aviation Administration (FAA) reauthorization Act (Public Law 112–95) shifts consideration of new SPP air-

ports into a "default position of being approved," requiring TSA to accept the airport unless it is demonstrably detrimental to cost-efficiency or security. The Committee, therefore, directs TSA to report no later than 90 days after the date of enactment of this Act on how it is complying with the FAA reauthorization act provisions and the extent to which it is implementing GAO recommendations to compare cost and performance of SPP and non-SPP airports. The report should also address how TSA is addressing court rulings related to its administration of the SPP program.

TSA shall provide the Committees on Appropriations quarterly reporting on its execution of the SPP program and processing of applications for participation, including the status of applications by date of application and date of decision.

SCREENER PERSONNEL, COMPENSATION, AND BENEFITS

The Committee recommends $3,057,128,000 for Screener Personnel, Compensation, and Benefits, $50,521,000 below the budget request, and $31,357,000 above fiscal year 2012. This funds the current services costs for current screeners, including those needed for the 1,250 new AIT systems funded to date but does not include funding for a fiscal year 2013 pay raise, and it reduces funding for BDOs, as noted above. The Committee continues 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 notes with approval that TSA has shown great progress in reducing injuries amongst its screener corps, thereby improving their availability and productivity and lowering attrition. While the Committee continues to support dedicated TSA screener personnel as they strive to ensure the safety of the traveling public and our civil aviation system, it remains a matter of concern that the growth in staffing for checkpoint and related security operations, temporarily increased due to the staffing needs of current AIT and checkpoint configurations, needs to be re-engineered to reflect the impact of technology and more rational risk-based approaches. The latter includes the PreCheck pilots being introduced at airports nationwide. The Committee, therefore, retains the limitation of full-time screener staffing to compel TSA and the Department to optimize the balance between technology and screener personnel.

BEHAVIOR DETECTION OFFICERS

The Committee reduces funding by $7,700,000 for BDOs under Screener Personnel, Compensation, and Benefits. As noted above, the Committee has been forced to fill a TSA budget shortfall due to unauthorized fee revenue that the President's budget request assumed would be enacted. Moreover, the Committee believes that outstanding questions remain over the value of the BDO program, which has not been sufficiently validated and for which few measures have been developed to prove its intrinsic value to the aviation security environment. Essentially, the Committee remains unconvinced that the BDO has established its effectiveness against this core standard. Therefore, as the Committee has noted before, TSA should apply a formal cost-benefit analysis to the BDO/SPOT program to establish the impact the program has on aviation security per se, as recommended by the Government Accountability Office,

and develop a robust risk-based strategy for deploying BDOs. The Committee also continues to recommend that TSA implement standardization testing on an annual basis at those airports where SPOT is established.

SCREENER TRAINING AND OTHER

The Committee recommends $225,012,000 for Screener Training and Other, the same as requested and $24,784,000 below fiscal year 2012. Given the known threats to aviation security, the Committee expects TSA's Office of Inspection and OIG to enhance their periodic red team investigations to better emulate the latest threats and identify vulnerabilities that can be used to improve screener training and the use of screening technology. TSA must ensure its screeners are trained against the most current threats and receive such training as frequently as feasible within the constraints of meeting their work schedule. Such training should be calibrated to measurably reduce operational and technological vulnerabilities identified by red teams and improve the productivity of screener operations overall.

CHECKPOINT SUPPORT

The Committee recommends $120,239,000 for Checkpoint Support, the same as requested and $84,529,000 below the amount provided in fiscal year 2012. The Committee is aware that while this funding will not be used for additional AIT systems, it will go to support enhanced baggage screening technology and that work continues on next generation AITs. The Committee is keenly aware that the checkpoint continues to be a major challenge both for security and for the efficiency of passenger processing, and expects to see improvements going forward both in terms of the application of risk-based analysis (e.g., the PreCheck approach to identifying lower risk travelers) as well as new configurations of technology to reduce the number of screener personnel required.

PASSENGER SCREENING WAIT TIMES

The Committee notes that TSA is deploying new technology at its checkpoints to help reduce passenger wait times, including innovative approaches to measuring wait times (therefore providing TSA managers with information that could be used to adjust screener assignments to reduce delays), automated document readers, and similar technology. The Committee directs TSA to provide a briefing no later than 90 days after the date of enactment of this Act on progress in meeting the objective of keeping average passenger wait times to ten minutes or less. TSA is also directed to brief the Committee at that time on the wait times at screening checkpoints where automated wait time measurement technology has been deployed.

EXPLOSIVE DETECTION SYSTEMS PROCUREMENT AND INSTALLATION

The Committee recommends $100,000,000 for EDS Procurement and Installation, $17,349,000 below the budget request and $122,738,000 below the amount provided in fiscal year 2012. Including the existing mandatory Aviation Security Capital Fund of $250,000,000, the total appropriation (both mandatory and discre-

tionary) for EDS procurement and installations is $350,000,000 for fiscal year 2013. Within this total, $160,600,000 is for installation of electronic baggage screening equipment; $166,600,000 is to procure EDS for deployment to support projects where facility modifications are completed from prior year funds and to recapitalize existing equipment; $4,000,000 is to install advanced surveillance systems; and $18,800,000 is for payroll.

Although the Committee acknowledges the progress of TSA in installing EDS systems, and the need to recapitalize its aging inventory, the recommended funding level reflects the reality that the Committee is forced to offset the as yet unauthorized aviation security fee increase built into the budget request. The Committee continues to follow with interest TSA's study of the possibility of consolidating checkpoint and baggage screening at certain smaller airports (Category 3 and 4 airports) and asks TSA to advise the Committee of progress being made in this effort.

The Committee retains language added in fiscal year 2012 to permit funds in the Aviation Security Capital Fund to be used for acquisition of new and replacement EDS systems. The Committee expects TSA will ensure that there are sufficient balances in the Capital Fund to support currently known and validated needs for facility build out.

In addition, the Committee is aware that, while TSA must prioritize its EDS funding for installation and recapitalization, there remain claims from airports for reimbursement for costs previously incurred for eligible costs associated with construction and deployment of in-line baggage screening systems. As a result of not receiving reimbursement, the Committee understands some local airports have delayed further security and capital investments, which could be a source of risk in the aviation security environment. The Committee, therefore, recommends TSA establish a process to resolve such claims expeditiously, particularly from airports that have been awaiting reimbursement the longest.

SCREENING TECHNOLOGY MAINTENANCE AND UTILITIES

The Committee recommends $309,000,000 for Screening Technology Maintenance and Utilities, the same as the amount requested and $11,365,000 below fiscal year 2012. The Committee expects that two year warranty contracts that TSA is negotiating for its new AIT machines will continue to generate savings for new systems deployed in fiscal years 2013–14.

AVIATION SECURITY DIRECTION AND ENFORCEMENT

The Committee recommends $1,071,661,000 for Aviation Security Direction and Enforcement, $4,539,000 below the budget request and $14,664,000 below the amount provided in fiscal year 2012. The following table highlights funding levels by PPA:

	Budget estimate	Recommended
Aviation, Regulation and Other Enforcement	$371,989,000	$374,489,000
Airport Management and Support	569,615,000	549,615,000
Federal Flight Deck Officer and Flight Crew Training	12,500,000	25,461,000
Air Cargo	122,096,000	122,096,000
Subtotal, Aviation Security Direction and Enforcement	$1,076,200,000	$1,071,661,000

AVIATION REGULATION AND OTHER ENFORCEMENT

The Committee recommends $374,489,000 for Aviation Regulation and Other Enforcement, $2,500,000 above the budget request and $4,505,000 above fiscal year 2012. This includes an increase of $4,000,000 to support an increase of 24 canine teams for domestic inspections in the air cargo and aviation regulation environments in recognition of the effectiveness of canine operations in the detection of materials and explosives that threaten aviation security. The recommendation also reflects a reduction of $1,500,000 for visible intermodal protection and response (VIPR) teams, which have experienced significant delays in hiring.

The Committee notes that this funding level sustains the initiative for Air Cargo Aviation Security enhancements, consisting of $3,500,000 and 14 positions supporting improvements to international air cargo security.

AIRPORT MANAGEMENT AND SUPPORT

The Committee recommends $549,615,000 for Airport Management and Support, $20,000,000 below the budget request and $20,611,000 below fiscal year 2012. This reduction is intended to partially offset the shortfall created by the inclusion of unauthorized aviation security fees in the budget.

FEDERAL FLIGHT DECK OFFICERS

The Committee supports sustaining the Federal Flight Deck Officer (FFDO) program, which the President's budget proposes cutting in half, and believes that the presence of armed and trained pilots and flight crew complement all the other security measures in the aviation security domain and represent a true last-line-of-defense aboard an aircraft. The Committee, therefore, restores the funding to the fiscal year 2012 level, or $25,461,000.

Additionally, the Committee directs TSA to provide a briefing no later than 60 days after the date of enactment of this Act detailing the recertification process for FFDOs, including the number of FFDOs enrolled, the latest data on recertification, an assessment of how well the program is meeting demand for participation, and an overview of how TSA is ensuring that training is available in a sufficient number of locations.

FOREIGN REPAIR STATION SECURITY REGULATIONS

The Committee is concerned about the lack of progress made regarding an important security rule that impacts our Nation's aviation industry. Congress directed TSA to promulgate aircraft repair station security regulation in the 2003 Vision 100-Century of Aviation Reauthorization Act, and the 9/11 Act. In 2009, TSA finally issued a notice of proposed rulemaking for public comment on repair station security regulations. The Committee understands TSA sent a final rule to the Department of Homeland Security for review in spring of 2011. Unfortunately, that rule has not moved forward, and this failure to act has inhibited the ability of industry to compete in the global market place.

The Committee is extremely concerned that a rule directed by Congress to raise security standards has languished for years, and believes it should move forward expeditiously. In a December 2011

letter to stakeholders, TSA stated that it anticipated a final rule would be finished by the fourth quarter of 2012. Based on past performance, the Committee has little confidence that TSA and DHS will meet this deadline. Therefore, the Committee has included a provision that will limit funding for the Department's Office of General Counsel until the final rule is published. The Committee does not take this step lightly, but lack of progress on an important security rule warrants this action.

AIR CARGO

The Committee recommends $122,096,000 for air cargo, the same as requested and $1,442,000 above fiscal year 2012. This sustains the $6,000,000 for cargo security initiatives provided in fiscal year 2012, along with corresponding funding described above under Aviation Regulation and Other Enforcement, for initiatives to enhance air cargo inspection and other security oversight and improvements. While TSA has met its goal of 100 percent of domestic air cargo screening, the Committee continues to support TSA efforts to achieve 100 percent system-wide screening of air cargo on passenger aircraft, to include originating from last point of departure airports overseas. The initiative funding may be used to enhance inspection, investigation, and monitoring efforts, including on all-cargo airlines. The Committee continues a requirement for an expenditure plan for air cargo investments.

The Committee notes that TSA continues to collaborate with foreign governments and air carriers to meet the 9/11 Act requirement to screen all air cargo bound for the United States, helping such governments align cargo screening methods to TSA standards. The Committee continues to include statutory language requiring TSA to report quarterly on its progress in meeting the 9/11 Act screening deadline for air cargo coming from overseas until the deadline is met.

RISK-BASED APPROACHES TO PASSENGER SCREENING

The Committee has been encouraged to hear, both in testimony this year as well as in reporting related to pilot efforts now being field tested, that TSA is actively pursuing ways to apply a more risk-based approach to its screening and security systems and procedures. PreCheck, a limited scope "trusted traveler" program, is currently being tested at a number of airports where participants, who volunteer information about themselves for additional government review prior to flying, are eligible for expedited screening at those airports. In its pilot phase, certain frequent fliers with particular air carriers, and participants in the CBP Global Entry program flying on participating carriers, are eligible. PreCheck is currently being piloted with three airlines and at 28 U.S. airports. In 2012, TSA plans to expand the program to four airlines and a total of 50 airports. Along other lines, TSA is implementing adjustments in its protocols for generally lower-risk populations (children, elderly, or military personnel on official travel).

The Committee would note that the data TSA has available on PreCheck participants varies significantly, with much more personal and biographic information supplied by those in existing trusted traveler programs such as Global Entry than is supplied to TSA for those selected by virtue of their membership in frequent

flyer programs. The Committee, therefore, encourages TSA to use its existing statutory authority, under the Aviation Transportation Security Act, to continue to develop, test, and expand the PreCheck 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, and in accordance with applicable privacy laws and standards. 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 should include appropriate constitutional privacy and civil liberties protections. The Committee encourages TSA to examine ways to provide participants in such a program with a streamlined and distinct checkpoint screening process. The Committee also encourages TSA to move forward in considering 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 brief the Committees on a biannual basis beginning no later than 90 days after the date of enactment of this Act on progress in developing and applying trusted traveler approaches and any legal or budgetary impediments to their implementation. The briefing should also identify savings and efficiencies generated by these efforts.

Additional discussion of this issue is included in the classified annex to this report.

PERSONAL SEARCHES OF FAMILIES TRAVELING WITH CHILDREN

The Committee is aware that parents and guardians traveling with young children present a unique challenge to TSA, when a personal search is required of either adults or their minor children. It is particularly important that TSA, while carrying out any preboarding inspections of passengers, not separate children from their parents or guardians. The Committee directs TSA, in processing such travelers, to comply with the requirements set forth in section 540 in the bill, requiring that TSA respect the civil rights and privacy of individuals, with particular sensitivity to children traveling with their parents and guardians, and exercise sensitivity in handling such travelers so as to minimize any distress or discomfort.

SECURITY DIRECTIVES

The Committee understands that the aviation community and Congress have expressed concerns in recent years over the apparent overuse by the TSA Administrator of authority to issue security regulations and directives using emergency procedures, rather than follow established regulatory processes. As a result, the issuance of such rulings has not been limited to any period of duration, causing economic difficulties for the pilots and aviation industry operators with no clear link to a specific threat situation. While the Committee recognizes that such emergency authority was established to allow TSA to put in place rapidly countermeasures needed to address emerging threats, there should be a distinction between those of limited duration or scope, and those that require a permanent or long-term change in security measures and practices. The Com-

mittee, therefore, urges TSA to work with the industry on a way forward to normalize its approach to the set of security procedures required and utilize regulatory action in lieu of the current over-reliance on emergency authority.

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 and are joined by 120 proprietary (federally handled) passenger screening teams that focus on 30 high-volume airports. There are also 23 multi-modal Federal canine teams and 120 proprietary canine teams that focus on the top 20 domestic airports with the greatest passenger air cargo, as well as 117 teams dedicated to mass transit security at 18 locations. The Committee, as noted above, has included funding for an additional 24 teams for the aviation environment, as well as an additional 26 teams in the surface environment (see below). It is the Committee's expectation that this enhancement of a total of 50 new canine teams will permit TSA to build up its current rate of deployment and training and move closer to higher screening percentages and more effective screening operations.

To better understand how the National Explosives Detection Canine Training Program can contribute more broadly to national requirements for canine detection capability, the Committee directs TSA to brief the Committees no later than 90 days after the date of enactment of this Act on current and potential ways in which TSA can help meet such needs.

FIVE-YEAR STRATEGIC PLAN OF INVESTMENTS

In the statement of managers accompanying the fiscal year 2012 DHS Appropriation Act, TSA was directed to submit, at the time the President's fiscal year 2013 budget was submitted, a five-year strategic plan for each of its passenger screening technology acquisitions. The report was to include projected spending for fiscal years 2013–2017, to provide an estimate for total cost for each acquisition, and to provide an estimated completion date for each technology. The Committee is displeased that the report has not been submitted, over three months after the budget has been submitted—for a program that has no significant acquisitions planned in fiscal year 2013. It is essential that TSA provide this level of detail to the Committees on Appropriations to enable them to better understand future acquisition and resource needs. The Committee directs TSA to submit the required report as soon as possible, and to provide the next five-year plan promptly with the submission of the fiscal year 2014 budget request.

DISPOSITION OF UNCLAIMED MONEY AND ASSISTANCE TO MILITARY PERSONNEL AND THEIR DEPENDENTS

The Committee includes a general provision that would repeal section 44945 of title 49, United States Code. This provision, origi-

nally adopted as section 515 of the fiscal year 2005 Department of Homeland Security Appropriations Act (Public Law 108–334), specifically authorized and directed unclaimed money that is collected at airport security checkpoints to be used for civil aviation security. However, in practice the funds have been little used, and as a result the Committee has rescinded large unobligated balances of such funds.

The Committee is aware members of the armed services and their families have an ongoing and substantial need for support as they travel domestically. The Committee therefore directs TSA to continue to retain unclaimed money currently recovered at airport security checkpoints. The Committee further directs TSA, in consultation with the Secretary of Defense, to transfer current and future balances of unclaimed money to nonprofit organizations that are selected on a competitive basis to operate airport centers in multiple locations throughout the United States to provide a place of rest and recuperation for members of the armed forces and their families. In implementing this action, TSA shall ensure that small airports have a mechanism for transferring unclaimed money to TSA headquarters, which shall consolidate the collections.

The Committee directs the Administrator of TSA to submit not later than 180 days after the date of enactment of this Act, and annually thereafter, to the House Committees on Appropriations, Armed Services, and Homeland Security, a report that contains a detailed description of the amount of unclaimed money recovered in total and at each individual airport, and the amount of unclaimed money transferred to the aforementioned nonprofit organizations and the dates of such transfers.

SURFACE TRANSPORTATION SECURITY

Appropriation, fiscal year 2012	$134,748,000
Budget estimate, fiscal year 2013	124,276,000
Recommended in the bill	126,418,000
Bill compared with:	
Appropriation, fiscal year 2012	−8,330,000
Budget Estimate, fiscal year 2013	+2,142,000

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 $126,418,000 for Surface Transportation Security, $2,142,000 above the amount requested and $8,330,000 below the amount provided in fiscal year 2012. Within this total, $36,353,000 is for staffing and operations and $90,065,000 is for surface transportation security inspectors and canines. This reflects no funding for a requested fiscal year 2013 pay raise, and reflects an increase of $4,500,000 for an additional 26 surface canine teams for passenger and cargo screening in the mass transit and maritime domain. It also reflects a reduction of

$2,000,000 from VIPR teams, which have experienced significant delays in hiring.

TRANSPORT OF SECURITY-SENSITIVE MATERIALS

The Committee encourages TSA to diligently pursue implementation of programs required by and authorized pursuant to Section 1554 of the 9/11 Act as part of their mission to improve security of surface transportation modes and to develop risk management systems for shipments of security-sensitive materials.

TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

Appropriation, fiscal year 2012	$163,954,000
Budget estimate, fiscal year 2013	192,631,000
Recommended in the bill	192,424,000
Bill compared with:	
Appropriation, fiscal year 2012	+28,470,000
Budget Estimate, fiscal year 2013	−207,000

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 $192,424,000 for Transportation Threat Assessment and Credentialing (TTAC), $207,000 below the budget request and $28,470,000 above the amount provided in fiscal year 2012. In addition, the Committee anticipates TSA will collect $79,720,000 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	$107,074,000	$106,935,000
Crew and Other Vetting Programs	85,557,000	85,489,000
Subtotal, Direct Appropriations	192,631,000	192,424,000
Fee Collections:		
Transportation Worker Identification Credential	47,300,000	47,300,000
Hazardous Materials	12,000,000	12,000,000
Alien Flight School (transfer from DOJ)	5,000,000	5,000,000
General Aviation	100,000	100,000
Air Cargo	7,200,000	7,200,000
Commercial Aviation and Airport	8,000,000	8,000,000
Other Security Threat Assessments	120,000	120,000
Sensitive Security Information Fees	– – –	– – –
Subtotal, Fee Collections	$79,720,000	$79,720,000

SECURE FLIGHT

The Committee recommends $106,935,000 for Secure Flight, $139,000 below the amount requested and $14,521,000 above the amount provided in fiscal year 2012. Within this funding is $12,717,000 for expanded watch list vetting to support the General Aviation Security Rule, thus covering an anticipated 11 million additional passengers per year who fly on large aircraft and charters. No funding is included for the requested fiscal year 2013 pay raise.

CREW AND OTHER VETTING

The Committee recommends $85,489,000 for Crew and other Vetting Programs, $68,000 below the request and $13,949,000 above fiscal year 2012, reflecting no funding for the requested fiscal year 2013 pay raise.

TTAC INFRASTRUCTURE MODERNIZATION

The largest component of the crew and other vetting appropriation consists of $57,700,000 requested for TTAC infrastructure modernization (TIM), which includes a $30,000,000 base restoration to complete the system before implementation of a universal fee rule, which will apply to vetting and other credentialing processes to provide access in the maritime environment, for hazardous materials, and eventually for aviation workers. This effort will consolidate and streamline duplicative vetting and credentialing services to current and future TSA screening populations and eliminate redundant background checks. The Committee notes that TSA has awarded a contract for TIM development with a planned implementation in fiscal year 2013, to enable functionality by 2014.

The Committee recommends funding the request but expects the project to remain on schedule and be under budget. To facilitate its oversight, the Committee directs TSA to brief the Committees on Appropriations on the status of TIM no later than 30 days after the date of enactment of this Act and to advise the Committees of any developments that might delay plans to achieve initial operating capacity in 2014 or to publish a Universal Fee Rule.

BIOMETRIC ACCESS CONTROL

Implementation of stronger credential and access controls at airports using biometric features has been supported by Congress, the Department, and many airport and airline officials. The Committee in recent years has included appropriations funding for TSA pilot efforts at airports to test the use of such technology and its integration into overall airport access systems. The Committee strongly urges TSA to continue working with the airport and airline community to implement biometric access and credential use and to ensure such systems are compatible with the Transportation Worker Identification Credential (TWIC), as well as those credentials developed in compliance with Homeland Security Presidential Directive-12 requirements.

TWIC READERS

The mandate to establish a TWIC credential and reader were carried in the Maritime Transportation Security Act of 2002 (MTSA), as amended by the SAFE Port Act of 2006. That legisla-

tion requires that final regulations for the card reader, which are led by the Coast Guard, be consistent with findings of the TWIC reader pilot program. That pilot was completed in May 2011, and a final report on the pilot issued in February 2012. At present there are over 30 readers that have been evaluated by TSA as capable of reading TWICs, and all are available by commercial sources. However, without a final reader rule, their adoption by ports and maritime facilities remains voluntary. As a result, TWICs are generally only used for visual inspection, making them essentially a "flash pass," which significantly reduces their value as a security measure, and adds to the cost and time required to inspect them.

The Committee is pleased that readers are now validated and ready for use, but it is ridiculous that a final rule has not been issued, particularly as there are over 1.9 million individuals currently enrolled in the TWIC program, many of whom will need to re-enroll this year. The Committee asserts that ten years is more than enough time for this action to occur and, therefore, directs the Coast Guard, the Department, and TSA to take all necessary action to expedite the completion and publication of a final rule.

TRANSPORTATION SECURITY SUPPORT

Appropriation, fiscal year 2012	$1,031,926,000
Budget estimate, fiscal year 2013	969,709,000
Recommended in the bill	928,663,000
Bill compared with:	
Appropriation, fiscal year 2012	−103,263,000
Budget Estimate, fiscal year 2013	−41,046,000

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 $928,663,000 for Transportation Security Support, $41,046,000 below the amount requested and $103,263,000 below the amount provided in fiscal year 2012. A comparison of the budget estimate to the Committee recommended level by PPA is as follows:

	Budget estimate	Recommended
Headquarters Administration	$281,554,000	$270,508,000
Human Capital Services	225,829,000	215,829,000
Information Technology	417,196,000	397,196,000
Intelligence	45,130,000	45,130,000
Subtotal, Transportation Security Support	$969,709,000	$928,663,000

HEADQUARTERS ADMINISTRATION

The Committee recommends $270,508,000 for Headquarters Administration, $11,046,000 below the budget request, and

$21,826,000 below the amount provided in fiscal year 2012. The Committee does not include $1,046,000 requested for a fiscal year 2013 pay raise and has reduced funding an additional $10,000,000 as an offset for the budget shortfall created by its reliance on unauthorized passenger security fees.

HUMAN CAPITAL SERVICES

The Committee recommends $215,829,000 for Human Capital Services, $10,000,000 below the budget request, and $33,571,000 below the amount provided in fiscal year 2012. The reduction, necessary to help offset the budgetary shortfall due to reliance on unauthorized aviation security fees, among other reasons, may come from advisory and assistance services.

INFORMATION TECHNOLOGY

The Committee recommends $397,196,000 for Information Technology, $20,000,000 below the budget request and $50,004,000 below the amount provided in fiscal year 2012. The reduction, necessary to help offset the budgetary shortfall due to reliance on unauthorized aviation security fees, among other reasons, may come from advisory and assistance services.

ACCOUNT STRUCTURE AND AVAILABILITY OF APPROPRIATIONS

TSA was directed in the fiscal year 2012 conference report statement of managers to brief the Committees on a proposed PPA structure reflecting one-year availability of appropriations for salaries and operations, with a longer availability for investment expenditures. However, the briefing and associated details were provided too late to be incorporated into this bill. The Committee intends the availability of appropriations for TSA to parallel that applying to other agencies funded in this bill, and so directs TSA to include a proposal for account restructuring with the fiscal year 2014 budget request. The proposal should reflect, to the greatest degree possible, PPAs that align with existing major program categories, to include checkpoint and checked baggage screening operations; air cargo; law enforcement operations; surface transportation security; inspections; intelligence; and credentialing activities.

COVERT TESTING

The Committee supports continued use of covert testing to help identify vulnerabilities in critical systems and directs TSA to aggressively and creatively, probe, challenge, and improve transportation security systems. As in previous years, the Committee directs TSA 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. TSA should also report on critical operational errors and equipment failures.

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

The Committee continues bill language 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 2013, 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 update the Committees quarterly on these expenditures.

FEDERAL AIR MARSHALS

Appropriation, fiscal year 2012	$966,115,000
Budget estimate, fiscal year 2013	929,610,000
Recommended in the bill	879,600,000
Bill compared with:	
Appropriation, fiscal year 2012	−86,515,000
Budget Estimate, fiscal year 2013	−50,010,000

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 $879,600,000 for the Federal Air Marshals (FAMs), $50,010,000 below the amount requested and $86,515,000 below the amount provided in fiscal year 2012. Of the total funding provided, $776,550,000 is for Management and Administration and $103,050,000 is for Travel and Training.

This funding decrease reflects no funding for the proposed pay raise. It also reflects a readjustment in light of the multiple security enhancements in aviation security put in place since the Christmas Day 2009 bombing attempt. The Committee does, however, believe that this funding will provide adequate resources to ensure coverage of all high-risk international and domestic flights. Additional detail is included in the classified annex to this report.

The Committee would note that there are additional law enforcement resources to complement the presence of Federal Air Marshals. These include FFDOs, which the Committee recommends funding at the fiscal year 2012 level (as opposed to the 50 percent reduction proposed in the President's request). In addition, the large numbers of Federal law enforcement officers and agents who fly offer a significant potential to leverage the FAMs operation. The Committee notes that there have been several attempts to leverage this population, which could serve as a force multiplier, or possibly a "surge" capability in response to increased threat environments, but none were adopted. The Committee strongly encourages TSA and DHS to revisit the potential for such an approach, including development of a concept of operations and mechanisms for coordinating scheduling, communications, and training. The Committee directs TSA to submit a report no later than 120 days after the date of enactment of this Act outlining the best options for

leveraging the Federal law enforcement population to supplement FAMS resources, including a detailed description of what the Department is doing to develop such options beyond a notional phase.

The Committee expects TSA to set its 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 remains essential that TSA provide the Committee information about the analysis underpinning its staffing, scheduling and resource requirements, particularly given the high sustained levels of coverage since the 2009 Christmas Day bombing attempt. The Committee, therefore, directs TSA to brief the Committees on Appropriations no later than 60 days after the date of enactment of this Act 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 continue to submit quarterly reports on mission coverage, staffing levels, and hiring rates as in past years.

COAST GUARD

OPERATING EXPENSES

Appropriation, fiscal year 2012 [1]	$6,793,054,000
Budget estimate, fiscal year 2013 [2]	6,791,178,000
Recommended in the bill [2]	6,759,627,000
Bill compared with:	
Appropriation, fiscal year 2012	−33,427,000
Budget estimate, fiscal year 2013	−31,551,000

[1] Does not include $258,000,000 for the global war on terrorism.
[2] Does not include funds for global war on terrorism/overseas contingency operations requested under Navy, Operations and Maintenance.

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 $6,759,627,000 for Operating Expenses. The recommended funding level is $31,551,000 below the amount requested and $33,427,000 below the amount provided in fiscal year 2012. The Committee's recommendation for Coast Guard Operating Expenses excludes funds requested to support the global war on terrorism/overseas contingency operations.

The Committee recommends a reduction of $35,000,000 for the Headquarters Directorate due to the DHS budget request's reliance upon unauthorized fee collections, a flawed CBP request based on inaccessible fee collections, and poor record of compliance with statutory requirements, notably the Coast Guard's failure to submit an adequate Capital Investment Plan. The Committee also includes a reduction of $2,947,000 for the denial of the civilian pay raise that

was included in the budget request. The Committee recommends full funding for the military pay raise included in the fiscal year 2013 request.

The Committee recommends the following increases above the budget request: $35,000,000 to reduce the backlog in critical depot level maintenance; $1,977,000 to prevent the proposed decommissioning of three 110-foot Patrol boats, which will restore approximately 3,100 Patrol Boat operating hours; $10,000,000 to reduce the operational gap created by the disestablishment of the High-Tempo-High-Maintenance program; and $8,416,000 to restore one of the two High Endurance Cutters proposed for decommissioning, which will restore approximately 1,665 cutter hours to support counter-drug operations in source and transit zones. While the recommendation does not restore funding for Air Facilities in Muskegon, Michigan and Waukegan, Wisconsin, funds are provided in the Acquisition, Construction, and Improvement (AC&I) appropriation to recapitalize two operational losses helicopters.

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

	Budget Estimate	Recommended
Military Pay and Allowances	$3,415,595,000	$3,425,878,000
Civilian Pay and Benefits	790,130,000	786,322,000
Training and Recruiting	212,761,000	213,402,000
Operating Funds and Unit Level Maintenance	1,092,419,000	1,063,346,000
Centrally Managed Accounts	350,178,000	300,883,000
Depot Level Maintenance	930,095,000	969,796,000
Total, Operating Expenses	$6,791,178,000	$6,759,627,000

REDUCTIONS TO OPERATING EXPENSES

Throughout this bill, the Committee has prioritized funding to frontline security operations and essential personnel across DHS. In fiscal year 2012, the Department requested a substantial reduction in funding that would have degraded the Coast Guard's operational capabilities and military workforce without a compensating proposal to rebuild depleted capacity for the long term by investing in recapitalized assets. That proposal had obvious, adverse implications for the Coast Guard's critical missions of maritime safety, coastal security, and drug interdiction; ignored current threat activity and the ramifications for the Department's broader security efforts; and was resoundingly rejected by Congress. In contrast, in the fiscal year 2013 budget request the Department has proposed a far more balanced approach to reducing the Coast Guard's operational costs while sustaining needed investments in both targeted capabilities and new acquisitions and asset refurbishments. The Committee directs the Coast Guard to present clearly 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 2014 budget justification materials.

TWIC READERS

As discussed earlier in this report, the final report on the TWIC reader pilot was finally issued in February 2012. At present there

are over 30 readers that have been evaluated by TSA as capable of reading TWICs. However, a final reader rule has not been issued. The Committee asserts that ten years is more than enough time for this action to occur and, therefore, directs the Coast Guard, the Department, and TSA to take all necessary action to expedite the completion and publication of a final rule.

RESOURCES FOR THE GLOBAL WAR ON TERRORISM

The Committee does not recommend funding under this heading for the costs of the Coast Guard's support for the global war on terrorism and overseas contingency operations. The fiscal year 2013 budget request instead includes these funds via a permissive transfer from Operations and Maintenance, Navy. The Committee concurs with this decision, since the funds requested are based on the needs of the Combatant Commander, which will not be fully defined until the year of execution. As future plans evolve, the Navy may transfer the amounts as needed to the Coast Guard for the expenses incurred based on requests for forces from the Combatant Commander.

In the future, if these types of overseas operations become part of the normal operational mission, funds should be included within the existing funding for Coast Guard's defense function.

The Coast Guard is directed to notify the Committees of Appropriations of the Senate and House of Representatives within five days of a transfer of the funds from Operations and Maintenance, Navy to Coast Guard, Operating Expenses. The notification shall include a detailed justification for the funds and how the funds are allocated across PPAs.

HIGH TEMPO-HIGH MAINTENANCE PROGRAM TERMINATION

As noted above, the Committee recommends an additional $11,977,000 to increase planned patrol boat hours and to restore three 110 foot Patrol Boats. Together, these initiatives will provide sufficient hours to maintain the same number of patrol boat hours as provided in fiscal year 2012.

These increases are required due to the termination of the high tempo-high maintenance (HTHM) program. The Committee was dismayed at the decision by the Coast Guard to presuppose the termination of this program prior to submitting the termination plan to Congress with the submission of the fiscal year 2013 budget. By the time the program termination was briefed to the Committee, the only alternative to maintain sufficient patrol boat hours was to defer the proposed patrol boat decommissionings and provide funding to increase the programmed operating hours of remaining in-service patrol boats.

The HTHM program was created by Congress to address the critical need to perform counter-drug operations in the Caribbean source and transit zones. In the future, the Coast Guard shall brief the Committee prior to starting the process of terminating such a high profile and successful program.

ENHANCEMENTS TO DEPOT LEVEL MAINTENANCE

The Committee recommends an additional $39,701,000 above the amount requested for enhancements to critical depot level mainte-

nance programs. Additional funds are intended to replenish repair parts and execute backlogged and deferred critical depot level maintenance for assets, including: $17,000,000 for cutters to address maintenance requirements for aging cutters; and help the 210-foot, and the 270-foot medium endurance cutter fleets to help these cutters improve their availability performance; $13,000,000 for aircraft to address a recurring parts shortfall that is reducing aircraft availability and surge capacity, including funds for the critical purchase of H–60 Tail Rotor Blades (life-limiting components) to preserve H–60 fleet readiness; and $5,000,000 to address critical shore facility maintenance needs, including waterfront and airfield repairs, dredging projects, and life safety (barracks sprinkler/fire suppression) systems. None of these additional funds may be obligated until five days after the Coast Guard briefs the Committee on the expenditure plan for these funds.

SMALL BOATS

The Committee directs the Coast Guard to brief the Committee no later than October 1, 2012 on the current status of the small boat program to include operation and maintenance costs and future recapitalization plans.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

Appropriation, fiscal year 2012	$13,500,000
Budget estimate, fiscal year 2013	13,162,000
Recommended in the bill	12,151,000
Bill compared with:	
Appropriation, fiscal year 2012	−1,349,000
Budget estimate, fiscal year 2013	−1,011,000

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 $12,151,000 for Environmental Compliance and Restoration, $1,011,000 below the amount requested and $1,349,000 below the amount provided in fiscal year 2012. A reduction is made to the budget request for this account due to operational priorities.

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 2012	$134,278,000
Budget estimate, fiscal year 2013	132,554,000
Recommended in the bill	115,528,000
Bill compared with:	
Appropriation, fiscal year 2012	−18,750,000
Budget estimate, fiscal year 2013	−17,026,000

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 $115,528,000 for Reserve Training, $17,026,000 below the amount requested and $18,750,000 below the amount provided in fiscal year 2012. This reduction is based on the lack of budget justification for this program, budgeting constraints, and the failure to comply with statutory requirements.

AUTOMATION MODERNIZATION

Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	– – –
Recommended in the bill	$50,000,000
Bill compared with:	
Appropriation, fiscal year 2012	+50,000,000
Budget estimate, fiscal year 2013	+50,000,000

MISSION

The Automation Modernization account funds major information technology projects for the Coast Guard.

RECOMMENDATION

The Committee recommends $50,000,000 for automation modernization. OMB's IT Dashboard indicates that the Coast Guard has $643,500,000 in fiscal year 2012 for information technology programs, of which $461,500,000 is for major investments; however, the budget request for Coast Guard does not account for these funds. As with other "Automation Modernization" accounts within the DHS budget, the Committee recommends consolidating funding for Coast Guard information technology programs in a single account to provide greater visibility into Coast Guard's management of this significant investment.

The Coast Guard is encouraged to work with the Committee prior to the submission of the fiscal year 2014 budget request to delineate the specific programs and types of activities to include in this account.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

Appropriation, fiscal year 2012	$1,403,924,000
Budget estimate, fiscal year 2013	1,192,309,000
Recommended in the bill	1,428,593,000
Bill compared with:	
Appropriation, fiscal year 2012	+24,669,000
Budget estimate, fiscal year 2013	+236,284,000

MISSION

The Acquisition, Construction, and Improvements (AC&I) 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 $1,428,593,000 for AC&I, $236,284,000 above the amount requested and $24,669,000 above the amount provided in fiscal year 2012.

The Committee recommends significant restructuring of numerous programs to align funding with the requirements in the fiscal year of need. Further, the recommendation provides funding for programs that have a proven track record, are low risk, have known costs, and provide increased capability.

The Committee recommends the following reductions from the amounts requested: a net reduction of $26,500,000 requested for the National Security Cutter; a reduction of $5,000,000 from the amount requested for the Offshore Patrol Cutter; a reduction of $15,000,000 from the amount requested for Program Oversight and Management; a reduction of $2,500,000 for Systems Engineering and Integration; and a reduction of $216,000 from Personnel and Related Support.

The Committee recommends the following rescissions in title V of this bill from prior year accounts: from funds provided in fiscal year 2010, $37,500,000 for post-delivery activities for fourth National Security Cutter (NSC) and $5,000,000 from funds for the Patrol Boat Sustainment program; from funds provided in fiscal year 2011, $54,100,000 for post-delivery activities for the fifth NSC, $23,000,000 from funds for the Offshore Patrol Cutter, and $10,000,000 for funds for Systems Integration and Engineering; and from funds provided in fiscal year 2012, $27,000,000 from funds for the Offshore Patrol Cutter, $5,000,000 from funds for the MH–60 program, $10,000,000 from funds for the MH–65 program, and $10,000,000 for funds for Systems Engineering and Integration.

The Committee recommends the following increases above the amount requested: an increase of $85,000,000 above the amount requested for the Fast Response Cutter; an increase of $5,000,000 for

Medium Endurance Cutter Sustainment; an additional $28,000,000 for the replacement costs of two MH–60 helicopters; an additional $12,000,000 for a mission pallet for the Maritime Patrol Aircraft; an additional $90,000,000 for one Long Range Surveillance Aircraft; and an increase of $40,500,000 for shore facilities, aids to navigation, housing, and infrastructure projects.

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

	Budget Estimate	Recommended
Vessels		
Cutter Small Boats	$4,000,000	$4,000,000
Fast Response Cutter (FRC)	139,000,000	224,000,000
Medium Endurance Cutter (MEC) Sustainment	13,000,000	18,000,000
National Security Cutter (NSC)	683,000,000	656,500,000
Offshore Patrol Cutter (OPC)	30,000,000	25,000,000
Polar Ice Breaking Vessel	8,000,000	8,000,000
Survey and Design-Vessels and Boats	2,500,000	2,500,000
Subtotal, Vessels	879,500,000	938,000,000
Aircraft		
Long Range Surveillance Aircraft	– – –	90,000,000
HH–60 Acquisition/Conversion/Sustainment	– – –	28,000,000
HH–65 Acquisition/Conversion/Sustainment	31,500,000	31,500,000
Maritime Patrol Aircraft (MPA)	43,000,000	55,000,000
Subtotal, Aircraft	74,500,000	204,500,000
Other Acquisition Programs		
C4ISR	40,500,000	40,500,000
Government Program Management	25,000,000	10,000,000
Nationwide Automatic Identification System	6,000,000	6,000,000
CG–LIMS	2,500,000	2,500,000
System Engineering and Integration	2,500,000	– – –
Subtotal, Other Equipment	76,500,000	59,000,000
Shore Facilities and Aids to Navigation		
Major/Minor construction; Housing; ATON; and survey & design	15,000,000	55,500,000
Major Acquisition Systems Infrastructure	49,411,000	49,411,000
Minor Shore	5,000,000	5,000,000
Subtotal, Shore Facilities and Aids to Navigation	69,411,000	109,911,000
Personnel and Related Support		
AC&I Core	600,000	600,000
Direct Personnel Costs	116,798,000	116,582,000
Subtotal, Personnel and Related Support	117,398,000	117,182,000
Total, Acquisition, Construction, and Improvements	$1,192,309,000	$1,428,593,000

QUARTERLY REPORTS ON ACQUISITION PROJECTS AND MISSION EMPHASIS

The Commandant is directed to continue to brief the Committee quarterly on all major acquisitions consistent with the direction in the conference report accompanying Public Law 112–74.

CAPITAL INVESTMENT PLAN

The Committee is concerned by Coast Guard's noncompliance with the requirement in Public Law 112–74 to submit a Capital Investment Plan (CIP) to Congress with the submission of the budget. To address these concerns, the Committee has withheld significant funds from various Headquarters' offices to include $75,000,000 from the Coast Guard Headquarters' Directorate and,

additionally, reduces funding for Coast Guard Headquarters Directorate by $35,000,000. Further, a general provision is included that restricts usage by specific leaders within the Department from using fix-wing aircraft, except for specific emergent reasons, until the CIP and the Comprehensive Acquisition Strategy Plan, as required in title I of this bill, are submitted.

The Coast Guard is directed to submit a CIP in accordance with the specified requirements listed in the bill in conjunction with the budget submission for fiscal year 2014. The Committee continues to believe the CIP serves as the primary means of oversight for tracking the Coast Guard's recapitalization efforts and therefore must be submitted in accordance with mandated timelines. The failure of the Coast Guard to submit the required information in a timely manner hinders the Committees oversight responsibility and forces budgetary decisions to be made with limited program information. Continued failures will not be tolerated by the Committee.

NEW STARTS

Public Law 112–74 provided $37,713,000, as requested, for a new radar sensor system for the MH–60 helicopter program. However, subsequent to enactment of the fiscal year 2012 appropriation, the Coast Guard terminated the radar sensor system and repurposed the funds for a new component replacement program. While acknowledging the need for component replacement, the Committee is dismayed that the Coast Guard failed to inform the Committee of this program change. Once a program has been specifically requested in budget justification and funded by Congress, the Coast Guard is duty-bound to inform Congress when it creates a new program, project, or activity or eliminates a program, project, or activity.

The use of budget justification material as a baseline aligns with Department of Defense (DoD) reprogramming rules. The DoD Financial Management Regulations (Volume 3, Chapter 6) states new starts are new procurement line items or major components thereof, not previously justified by the Department and funded by the Congress through the normal budget as determined by specific supporting information provided in the budget materials.

The Committee directs the Coast Guard to comply with the intent of section 503 of this bill with respect to the creation of a program that has not previously been specifically requested and justified by Congress in budget justification and also to the termination of a program that has previously been specifically requested and justified by Congress in budget justification.

REVISED BUDGET JUSTIFICATION

The Coast Guard shall include a detailed budget justification for each PPA in AC&I for which funding is requested, or funding available from prior years. In the fiscal year 2013 budget request, the Coast Guard failed to provide program justification for numerous programs that have outstanding balances of funds previously appropriated but unobligated. This practice of not including sufficiently detailed justification needlessly hinders oversight by this Committee into how taxpayer funds are being executed.

Further, the budget justification aircraft and vessels for fiscal year 2014 shall include detailed cost information consistent with the appropriate work breakdown structure elements for the program and standardized for similar type systems such as aircraft and vessels. The breakdown shall include the following: per unit cost and associated quantity; antecedent liability; long lead-time material; warranty; supply support; training; economic price adjustment; survey, design and engineering; project management; post-delivery activities, spares and other categories, as needed. The information shall include all fiscal years from prior years through to complete years for relevant categories.

The budget justification for programs that are conversions or sustainment shall provide similar data. Additionally, the justification shall include types of modifications, quantity of kits and planned installation schedule of modification kits.

The budget justification for Program Oversight and Management, System Engineering and Integration and C4ISR shall provide a breakout of funding by asset.

Additionally, the budget justification shall provide procurement history and planning for the prior year, current year and budget year to include quantity and unit cost, contracting office location, contractor, contract method/type, award date, date of first delivery, and the availability of technical date package.

The Coast Guard is strongly encouraged to work with the Committee prior to the submission of the fiscal year 2014 budget request to clarify the types of information required in Congressional budget justification materials.

FULL FUNDING

The Committee includes a new general provision to address the lack of clarity in certain programs with respect to budgeting for long lead-time materials, end items, outfitting, post-delivery activities, spares, program management, and contract closeout. Acquisition programs within the AC&I appropriation have previously been required to comply with an interpretation of OMB Circular A–11 that forces the Coast Guard to request funding for activities that will not occur until years in the future. A current example of this issue is the Coast Guard's request for fiscal year 2013 that includes funding for post-delivery activities of the sixth National Security Cutter that will not occur until fiscal year 2019. This creates significant backlog, prevents acquisition of other capabilities, and is an ineffective use of taxpayer funds.

While the Committee agrees that items should be fully funded, the requirement to fully fund an end item to include outfitting, post-delivery activities, spares, and program management in the same fiscal year as the initial procurement creates a carry-over of funds from one fiscal year to another for items that are actually severable from the initial end item. Further, the denial of the ability to budget for long lead-time material for large, complex end items such as the National Security Cutter (NSC) creates further budget pressures in a significantly constrained fiscal environment. The requirement to "fully fund" the sixth NSC consumes over fifty percent of the Coast Guards fiscal year 2013 AC&I request.

It is disconcerting that DHS follows this overly conservative and costly requirement, unlike other Federal Departments. For exam-

ple, the Department of Defense is allowed to budget for advance procurement of items prior to procurement, and then budgets for outfitting, post-delivery activities, and spares at the time of need or a lead-time away from need (i.e., the appropriate fiscal year) as stipulated in the DoD Financial Management Regulation (Volume 2A, Chapter 1). Further evidence of this disparity is how the Department of the Navy requests funds for the CVN 79 within the Carrier Replacement Program. The program initiated advance procurement for CVN 79 in fiscal year 2008 and continued advance procurement funding through fiscal year 2012. The Navy's request for fiscal year 2013 initiates the actual procurement with plans to spread the procurement over six years. Only after delivery will the Navy request funds for post-delivery activities and initial spares. However, the Coast Guard is not permitted to budget in this manner.

The Committee includes a general provision that specifically addresses these issues by defining long lead-time material, outfitting, post-delivery activities, spares, and program management. Further, the provision explicitly states that these activities shall be funded in the fiscal year that corresponds to the time of need or a lead-time away from need.

Future budget submissions for the AC&I appropriations shall include funding for end items that correspond to the need to contract for the item, to include the budgeting for long lead-time materials, as required. Further, the Committee directs that the Coast Guard comply with this new general provision of this Act with respect to budgeting for post-delivery, outfitting, spares, and program management.

CARRY OVER

The Coast Guard has numerous examples within the history of the AC&I appropriation of requests for funding for assets or programs that will not obligate until future fiscal years. While there are some cases where such forward funding may be required to meet antecedent liabilities or other contractual requirements that mandate funding be available even though it will not immediately obligate, in many cases, it is the result of insufficient planning resulting in poor budgeting.

As budgets continue to tighten, the Committee cannot allow funds to sit idly for multiple fiscal years. To address this issue, the recommendation includes reductions due to carry over from the National Security Cutter program, the Fast Response Cutter program, Program Management, and Systems Engineering and Integration. Further, the recommendation includes rescissions to prior year appropriations of languishing carry-over.

In future budgets, the Coast Guard shall request funding programs, assets, modifications, and installs that it will execute in the budget request year. Specifically, the budgeting of acquisition items shall be on a time-phased "lead-time away" or "need to commit" basis in order to avoid accumulation of excessive carry-over. This includes the purchase of modification kits prior to the input of aircraft into a depot or the funding of an installation prior to the fiscal year of such install.

NATIONAL SECURITY CUTTER

The Committee recommends $656,500,000 for the National Security Cutter program, a decrease of $26,500,000 from the request and $579,500,000 above the amount provided in fiscal year 2012. The recommendation includes a decrease of $17,000,000 for contract savings associated with the long lead-time material contract for sixth NSC. The recommendation complies with the new general provision in title V of this bill with respect to full funding and, accordingly, reduces funding for post-delivery activities and program management that are requested ahead of need. The recommendation also rescinds funds in title V of this bill for post-delivery activities for the fourth and fifth NSC for the same reasons.

The Committee recommends $66,000,000 for long lead-time material for the seventh NSC. Initiating procurement of the seventh NSC is a low-risk option with known, fixed costs that provides a greater capability today instead of waiting years for a future program to evolve. The arguments proffered by the Administration to explain their failure to request this needed funding are without merit. This cavalier approach will result in higher costs and an undue delay of critical operational capabilities.

FAST RESPONSE CUTTER

The Committee recommends $224,000,000 for the acquisition of four Fast Response Cutters (FRCs), $85,000,000 above the amount requested and $134,000,000 below the amount provided in fiscal year 2012.

The fiscal year 2013 budget request included only two FRCs and proposed a restructure of the funds provided in fiscal year 2012. In the Public Law 112–74, Congress provided funding for six FRCs, the contract's maximum sustaining rate, in order to accrue $30,000,000 in savings due to economy of scale. The Coast Guard has now proposed in its fiscal year 2013 request to only contract for four cutters in fiscal year 2012 and then place the remaining two fiscal year 2012 cutters on contract in fiscal year 2013 to have a combined buy of four FRCs in fiscal year 2013, as four cutters is the minimum contract.

This proposal by the Coast Guard not only squanders the savings from fiscal year 2012 but also fiscal year 2013. This represents almost $60,000,000 in savings that will not be realized while delaying the delivery of much needed capability.

The recommendation addresses these concerns by providing $95,000,000 above the budget proposal for two additional FRCs. The recommendation also includes a reduction of $10,000,000 for carry over. The Committee will continue to work with the Coast Guard to ensure that the FRC program is properly funded in order to place all six FRC's funded by Congress in fiscal year 2012 on contract in that fiscal year.

OFFSHORE PATROL CUTTER

The Committee recommends $25,000,000 for the Offshore Patrol Cutter (OPC), $5,000,000 below the request and the same as the amount provided in fiscal year 2012. The recommendation also includes a rescission of $50,000,000 from funds previously provided in fiscal years 2011 and 2012.

In fiscal year 2011, the Coast Guard requested and was appropriated $45,000,000 to support the award and evaluation of a Preliminary and Contract Design (P&CD) contract. Again, in fiscal year 2012, the Coast Guard requested and was appropriated an additional $25,000,000 to support the award and evaluation of a P&CD contact. In the fiscal year 2013, the Coast Guard has again requested funding to support the award and evaluation of a P&CD contract. To date, none of the funds appropriated for a P&CD contract have been obligated, creating carry over in excess of $60,000,000.

The Coast Guard has stated that its plans to obligate significant funds on up to three P&CD contracts to include the contract design option in fiscal year 2013. However, the Committee is concerned that these actions are contrary to the Project Life Cycle Cost Estimate (PLCCE) that was signed on March 1, 2012 and the draft Phase I Statement of Work (SOW) released on March 14, 2012 and may result in a rush to judgment. The PLCCE explicitly states that the acquisition strategy for OPC includes awarding multiple P&CD contracts, with preliminary design efforts awarded in fiscal year 2013 and an option for contract design efforts in fiscal year 2014. The draft Phase I SOW notes that Preliminary Design and Contract Design are distinct efforts with Preliminary Design culminating with a Preliminary Design Review (PDR). The Committee concurs with this strategy to obligate funds only for the Preliminary Design option and only after review of the work that is required under that portion of the contract and PDR is completed, to execute an option for the Contract Design. This provides the Coast Guard the opportunity to down select after completion of Preliminary Design, if needed. This type of strategy is similar to the competitive prototyping that is statutorily required for all Department of Defense acquisitions as a part of the Weapon Systems Acquisition Reform Act of 2009 (Public Law 111–23).

Accordingly, the Committee denies part of the request in fiscal year 2013 and rescinds $50,000,000 from prior years based on significant carry over and the inability of the Coast Guard to fully articulate an acquisition strategy that aligns with the PLCCE.

The critical need for a replacement of the legacy Medium Endurance Cutters cannot be denied and that need grows more each year. However, a cautious acquisition strategy is also needed so that the acquisition failures, as seen in other programs, do not delay even further a new and much needed capability.

MEDIUM ENDURANCE CUTTER SUSTAINMENT

The Committee recommends $18,000,000 for Medium Endurance Cutter (WMEC) Sustainment, $5,000,000 above the request and $29,000,000 below the amount provided in fiscal year 2012. The Committee remains concerned with the sustainability of the WMEC fleet as programs such as the Offshore Patrol Cutter continue to be delayed. As the WMEC's continue to age, the Coast Guard cannot delay a review of the current condition to set a baseline for future sustainment efforts. The additional funding shall be used to conduct a WMEC condition survey to address potential service life extension requirements. The Commandant of the Coast Guard shall provide Congress with a plan and timeline for the re-

view 30 days after the date of enactment of this Act and quarterly thereafter until the study is complete.

POLAR ICE BREAKER VESSEL

The Committee recommends $8,000,000 for the new polar icebreaker program, the same as the request and $8,000,000 above the amount provided in fiscal year 2012.

MH–60 HELICOPTER

The Committee recommends $28,000,000 for the aircraft replacement of two MH–60 helicopters, an increase of $28,000,000 above the request and $9,700,000 above the amount provided in fiscal year 2012. The Coast Guard continues to successfully modify former Navy Seahawk helicopters—providing greater capability at a lower cost. This funding will allow for the conversion of two additional helicopters and assist in replacement of assets lost in the line of duty.

HC–130J AIRCRAFT

The Committee recommends $90,000,000 for one HC–130J aircraft, an increase of $90,000,000 above the request and $28,000,000 above the amount provided in fiscal year 2012. The current fleet of HC–130H aircraft are expensive to maintain and lack the updated technology in the newer J-model aircraft. However, to date, the Coast Guard has not fully developed a program of record for the HC–130J even though funding has been appropriated for nine aircraft and the Coast Guard has stated that the full requirement is for 22 J-model aircraft. This lack of program clarity is concerning when costs associated with existing H-model aircraft continue to increase while mission capable rates diminish.

The Committee directs the Coast Guard to develop a program of record for long range surveillance that addresses current and future requirements and capability.

Further, the Committee directs that funds provided in Public Law 112–74 for long range surveillance be used to fully missionize the ninth HC–130J aircraft.

C–27J AIRCRAFT

In January 2012, the United States Air Force announced the planned retirement of 21, C–27J aircraft. These aircraft were planned to be assigned to the National Guard to address direct mission support needs of forward deployed units. Instead, the Air Force now plans to utilize C–130 aircraft for these missions. As a result of the planned retirements, the Committee understands that the Coast Guard is working with the Air Force on a business case analysis to support the possibility of transferring the 21 aircraft to the Coast Guard to address surveillance gaps. The Committee encourages these discussions and is supportive of such a plan if the Coast Guard can detail how the transfer will provide greater capability at lower total costs.

The Committee directs the Coast Guard to provide the business case analysis as soon as it is completed.

MARITIME PATROL AIRCRAFT

The Committee recommends $55,000,000 for the Maritime Patrol Aircraft (MPA), an increase of $12,000,000 above the request and $74,500,000 below the amount provided in fiscal year 2012. This fully funds one MPA, including funding to acquire a Mission System Pallet and spares, which were not included in the fiscal year 2013 request.

PROGRAM OVERSIGHT AND MANAGEMENT

The Committee recommends $10,000,000 for Program Oversight and Management (PO&M), $15,000,000 below the request and $16,000,000 below the amount provided in fiscal year 2012. Over the last eighteen months, the program has obligated $25,000,000 of the almost $71,000,000 that has been appropriated for this effort. This level of activity does not support the requested funding and the program has failed to fully justify additional funds. To address continued deficiencies in the budget justification, the Coast Guard is again directed to provide a detailed subdivision of funding requested for government program management in its justification materials accompanying the fiscal year 2014 budget submission. This includes providing funding associated with each subdivision.

SYSTEM ENGINEERING AND INTEGRATION

The Committee denies all funding for System Engineering and Integration (SEI), a decrease of $2,500,000 from the request and $17,140,000 below the amount provided in fiscal year 2012. Additionally, the recommendation includes a rescission of $20,000,000 from funds previously appropriated. The program currently has over $47,000,000 in funds from prior years that have not been utilized. This type of carry over and poor execution is unacceptable in today's fiscal environment. The remaining funds provide sufficient funding for SEI activities in fiscal year 2013 based on prior year obligation history.

MAJOR SHORE CONSTRUCTION, HOUSING, AND AIDS TO NAVIGATION

The Committee recommends $55,500,000 for shore facilities, military housing, and aids to navigation, $40,500,000 above the amount requested and $37,400,000 below the amount provided in fiscal year 2012. Of the funds provided, $30,500,000 is for renovation and improvement of shore facilities based on the Coast Guard's prioritized backlog list.

Additionally, $10,000,000 is included for infrastructure construction, to include design, engineering, and oversight required to support the continued development of the DHS consolidated headquarters at St. Elizabeth's.

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. Further, none of the funds included above the request may be obligated until five days after the Coast Guard briefs the Committee on the expenditure plan for the funds.

MAJOR ACQUISITION SYSTEMS INFRASTRUCTURE

The Committee recommends $49,411,000 for major acquisition systems infrastructure, the same as the amount requested and $32,089,000 below the amount provided in fiscal year 2012.

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.

ACQUISITION PERSONNEL

The Committee recommends $117,182,000 for direct costs of acquisition personnel, $216,000 below the amount requested due to denial of the civilian pay raise and $6,990,000 above the amount provided in fiscal year 2012.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Appropriation, fiscal year 2012	$27,779,000
Budget estimate, fiscal year 2013	19,728,000
Recommended in the bill	19,690,000
Bill compared with:	
Appropriation, fiscal year 2012	−8,098,000
Budget estimate, fiscal year 2013	−38,000

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 $19,690,000 for Research, Development, Test, and Evaluation (RDT&E), $38,000 below the amount requested and $8,098,000 below the amount provided in fiscal year 2012. The Committee is dismayed with the unacceptable lack of detail provided by the Coast Guard in the fiscal year 2013 Congressional budget justification for this program. The Committee strongly supports the activities carried out within this function. However, as noted in prior years, the level of detail provided in the budget request is insufficient. 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 2014 budget submission.

The Coast Guard is strongly encouraged to work with the Committee prior to the submission of the fiscal year 2014 budget request to clarify the types of information required in Congressional budget justification materials.

MEDICARE ELIGIBLE RETIREE HEALTH CARE FUND CONTRIBUTION [1]

Appropriation, fiscal year 2012	$261,871,000
Budget estimate, fiscal year 2013	203,000,000
Recommended in the bill	203,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−58,871,000
Budget estimate, fiscal year 2013	−−−

[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 recommends $203,000,000 to fund the Medicare-eligible retiree health care fund contribution, the same amount included in the budget submission and $58,871,000 below the amount provided in fiscal year 2012.

RETIRED PAY

Appropriation, fiscal year 2012	$1,440,157,000
Budget estimate, fiscal year 2013	1,423,000,000
Recommended in the bill	1,423,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−17,157,000
Budget estimate, fiscal year 2013	−−−

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 $1,423,000,000 for Retired Pay, the same as the amount requested and $17,157,000 below the amount provided in fiscal year 2012. 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 2012	$1,661,237,000
Budget estimate, fiscal year 2013	1,544,113,000
Recommended in the bill	1,556,055,000
Bill compared with:	
Appropriation, fiscal year 2012	−105,182,000
Budget estimate, fiscal year 2013	+11,942,000

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 (NSSEs). 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 AND ACCOUNT RESTRUCTURING

The Committee recommends $1,556,055,000 for Salaries and Expenses, $11,942,000 above the amount requested and $105,182,000 below the amount provided in fiscal year 2012 under the Salaries and Expenses appropriation. This includes a significant decrease for the 2012 Presidential campaign season, reflecting the winding down of the campaign: a $55,502,000 decrease for costs associated with candidate nominee protection, totaling $988,334,000 for costs associated with the core protective missions, $65,995,000 below the amount provided in fiscal year 2012. It does not include $4,058,000 proposed for a fiscal year 2013 pay raise.

The recommendation includes $340,224,000 for investigations, $16,000,000 above the request, to reflect sustaining forensic support and grant assistance for investigations on missing and exploited children, increasing support for electronic crimes investigations, and realigning support for operations of the National Computer Forensics Institute (NCFI) to the Secret Service, all described in more detail below.

The recommendation includes $4,500,000, as requested, for contingencies associated with NSSEs in fiscal year 2013. Base adjustments reflect a transfer out, as requested, of $42,824,000 for Information Integration and Technology Transformation (IITT) from the Headquarters, Management and Administration PPA (Salaries and Expenses) to the Acquisition, Construction and Improvements (ACI) appropriation account.

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

	Budget estimate	Recommended
Headquarters Management and Administration	$174,669,000	$170,611,000
Protection		
Protection of Persons and Facilities	837,646,000	837,646,000
Protective Intelligence Activities	68,373,000	68,373,000
Presidential Candidate Nominee Protection	57,960,000	57,960,000
National Special Security Event Fund	4,500,000	4,500,000
White House Mail Screening	19,855,000	19,855,000
Subtotal, Protection	988,334,000	988,334,000

	Budget estimate	Recommended
Investigations		
Domestic Field Operations	238,553,000	238,553,000
International Field Office Administration, Operations, and Training	31,016,000	31,016,000
Electronic Crimes Special Agent Program and Electronic Crimes Task Forces	54,655,000	62,289,000
Support for Missing and Exploited Children	– – –	8,366,000
Subtotal, Investigations	324,224,000	340,224,000
Information Integration and Technology Transformation	1,137,000	1,137,000
Training		
Rowley Training Center	55,749,000	55,749,000
Total, Salaries and Expenses	$1,544,113,000	$1,556,055,000

The budget request proposed a reorganization of the Salaries and Expenses appropriation into an Operating Expenses appropriation, regrouping PPA categories to align with mission requirements, consolidate personnel costs and facilitate financial execution and reporting. The Committee acknowledges there is some merit in separating out personnel costs and operations costs, given the need to adjust spending between protection, investigations and other activities throughout the year, and the need to seek reprogramming approval can result in making staffing adjustments in a more efficient way. In addition, the Committee agrees that certain PPA categories no longer need to be maintained as separate reporting lines, as they are relatively stable activities that no longer need to be tracked as unique PPAs.

The Committee, therefore, recommends a modified revision of account structure, aligning pay and benefits into two PPAs (protection and headquarters/investigations/other activities), while consolidating the remaining funding into four main categories: protective operations; presidential campaigns and events of national significance, including NSSEs; investigative operations; and a PPA for headquarters, training, and enterprise mission support. With this change, pay and benefits costs are now fully visible, whereas they had previously been distributed across a number of program areas.

Existing PPAs are revised as follows: existing Headquarters, Management and Administration is split, with personnel costs going to Pay and Benefits—Headquarters PPA and the remaining funding going to the Headquarters, Training, and Enterprise Mission Support, which will also include the existing Rowley Training PPA. All PPAs currently listed under "Protection" are split, with personnel costs going to the Pay and Benefits—Protection PPA, and with the operational costs for the Protection of Persons, Intelligence, and White House Mail Screening going to the Protective Activities PPA, with the costs for Presidential Candidate—Nominee Protection and NSSE PPAs going to the Presidential Campaigns and Events of National Significance PPA. The personnel costs for investigative activities are included in the Pay and Benefits—Headquarters, Investigations, and Other Activities PPA, while investigative operating costs remain as separate PPAs in existing categories (Domestic Field Office Operations, International Field Office Operations, Electronic Crimes Special Agent Program/Electronic Crimes Task Forces). Finally, support for and grants for investigations of missing and exploited children funding is split between personnel costs (most of the investigative support) being funded from the Pay and Benefits—Headquarters, Investigations,

and Other Activities PPA, and grants and a small amount of support funding is included under Domestic Field Office Investigative Operations.

The funding recommendation is displayed in the new PPA structure as follows:

	Budget estimate	Recommended
Pay and Benefits		
Pay and Benefits—Protection	[$770,190,000]	$767,677,000
Pay and Benefits—Headquarters, Investigations, and Other Activities	[334,893,000]	335,425,000
Subtotal, Pay and Benefits	1,105,083,000	1,103,102,000
Protective Operations	190,362,000	190,362,000
Presidential Campaigns and Events of National Significance	27,783,000	27,783,000
Investigative Operations.		
Domestic Field Office Operations	[54,295,000]	60,585,000
International Field Office Operations	[17,463,000]	17,463,000
Electronic Crimes Special Agent Program/Electronic Crimes Task Forces	[13,533,000]	21,166,000
Subtotal, Investigative Operations	85,291,000	99,214,000
Headquarters, Training, and Enterprise Mission Support	135,594,000	135,594,000
Total, Salaries and Expenses	$1,544,113,000	$1,556,055,000

2012 PRESIDENTIAL CAMPAIGN

The bill includes $985,821,000 for protection, including $57,960,000, as requested, for protection of presidential candidates during the last quarter of the 2012 campaign, and $63,495,000 below the amount provided in fiscal year 2012, as requested, reflecting the winding down of the 2012 Presidential campaign. This level reflects the funding under the proposed new structure from the following three PPAs: Pay and Benefits—Protection ($767,677,000), Protective Operations ($190,362,000) and Presidential Campaigns and Events of National Significance ($27,783,000). The Committee directs the Secret Service, in consultation with the DHS Chief Financial Officer (CFO), to update its 2012 campaign financial plan to reflect associated fiscal year 2013 costs and spending, and provide a briefing to the Committees no later than thirty days after the date of enactment of this Act.

INTERNATIONAL FIELD INVESTIGATIONS

The Secret Service continues to show significant results from its efforts to stop the counterfeiting of U.S. currency, in concert with those of its counterparts in the Government of Colombia, and is building on this effort in its field offices. The Committee directs the Secret Service, in conjunction with the DHS Office of Policy, to keep it informed of developments in international investigative missions.

ELECTRONIC CRIMES SPECIAL AGENT PROGRAM AND ELECTRONIC CRIMES TASK FORCE

Recognizing Secret Service is a "frontline" operational agency, and ramping down from a Presidential campaign, the Committee's focus is on supporting the integration of new technology and funding operational mission support. Through its Electronic Crime Special Agent Program (ECSAP), and its leadership of a network of Electronic Crimes Task Forces (ECTF) that comprise Federal,

State, and local law enforcement partners, the financial and information technology industries, and academic and research communities, the Secret Service is able to maintain a highly effective presence in this rapidly evolving area. Key to this is the subject matter expertise related to cyber forensics and cyber crime that the ECSAP program offers.

ECSAP was established to provide special agents with basic and advanced computer forensics training, in order to conduct investigative examinations on electronic evidence obtained from computers, personal data assistants, and other forms of electronic media. As a result, the Secret Service is continually recognized as one of the most effective U.S. Government agencies in combating cyber crime. For the Secret Service to continue providing training and education for State and local law enforcement through the National Computer Forensics Institute (NCFI), and to enhance the capacity to undertake more electronic crimes investigative efforts, the Committee recommends $62,289,000 for ECSAP/ECTF, $9,238,000 above the amount provided in fiscal year 2012, and $7,634,000 above the amount requested. Under the new account structure, this includes $21,166,000 from the ECSAP/ECTF Investigative Operations PPA and $41,123,000 included under Pay and Benefits—Headquarters, Investigations, and Other Activities. This reflects the realignment of $4,000,000 from NPPD to continue current Secret Service training at the NCFI, and enhancement of the overall effort to address the challenge of growing financial and cyber crime.

STATE AND LOCAL CYBERCRIME TRAINING

The Committee is aware that an increasing amount of criminal activity involves digital evidence or originates on a computer or cellphone. These criminal acts include drug deals made by text message, financial fraud, child predation, and phishing schemes run through websites and emails. The investigation of these crimes requires highly technical training in computer forensics. The Committee supports and encourages the efforts of the United States Secret Service to train State and local law enforcement, prosecutors, and judges with regard to the investigation of digital evidence and prosecution of cybercrimes.

NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

The National Center for Missing and Exploited Children, (NCMEC) was created in 1984 to serve as the Nation's resource on the issues of missing and sexually exploited children. The organization provides information and resources to law enforcement, parents, and children, including child victims, as well as other professionals. Under the provisions of the Violent Crime Control Act of 1994, Congress directed the Secret Service to provide forensic and technical assistance in matters involving missing and exploited children to NCMEC and other Federal, State, and local law enforcement agencies. Additionally, The PROTECT ACT of 2003, known as the "Amber Alert Bill," amended 18 U.S.C. § 3056 to authorize the Secret Service to provide forensic and investigative assistance to any investigation involving missing or exploited children. The historical recipient of grant funding related to missing and exploited children has been NCMEC, and the Secret Service

currently provides investigative assistance and liaison to NCMEC headquarters by facilitating services available through the Secret Service Forensic Services Division. The Committee supports continuing this effort and therefore recommends sustaining the current funding level of $2,366,000 for forensic and investigative support related to missing and exploited children, and $6,000,000 for grants related to investigations of missing or exploited children.

STANDARDS AND CONDUCT FOR SECRET SERVICE PERSONNEL

The Committee understands that the Secret Service is reviewing its professional standards of conduct, in conjunction with the investigation into allegations of improper actions by Secret Service agents and officers in Colombia, and has issued new guidance for procedures and conduct of employees when engaged in overseas operations and protective missions. The Committee expects the Secret Service to take all steps necessary to ensure that it has in place the proper training and protocols to prevent similar incidents in the future and to hold violators accountable for improper actions. Accordingly, the Committee directs the Secret Service's Office of Professional Responsibility to provide a briefing, no later than 30 days after the date of enactment of this Act, on measures taken and under consideration to reinforce, amend, or supplement existing codes of conduct or other policies to prevent future incidents and to ensure that the Secret Service maintains the highest standards of integrity, consistent with its critical missions and unique position of public trust.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

Appropriation, fiscal year 2012	$5,380,000
Budget estimate, fiscal year 2013	56,750,000
Recommended in the bill	56,750,000
Bill compared with:	
Appropriation, fiscal year 2012	51,370,000
Budget estimate, fiscal year 2013	– – –

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). It also provides for ongoing costs and investment for critical Information Integration and Technology Transformation, a program to sustain the information technology capabilities needed to support the Secret Service protective and investigative missions.

RECOMMENDATION

The Committee recommends $56,750,000, the same level as requested in the budget and $51,370,000 above the amount provided in fiscal year 2012. The increase to support the Acquisition, Construction, and Improvements (ACI) account that supports Secret Service facilities, including the Secret Service Memorial Headquarters Building and the JJRTC, includes the requested realignment of $42,824,000 for Information Integration and Technology Transformation (IITT) from the Headquarters, Management and

Administration PPA (Salaries and Expenses) for non-personnel costs associated with the project, and a program increase of $9,496,000 requested to redesign and deploy a new Secret Service database infrastructure, upgrade IT and communication systems, and improve Secret Service cyber security. Adjustments to the base also reflect a non-recurring, one-time funding of $950,000 provided in fiscal year 2012 for deferred maintenance at the JJRTC.

TITLE III—PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY

NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

MANAGEMENT AND ADMINISTRATION

Appropriation, fiscal year 2012	$50,695,000
Budget estimate, fiscal year 2013	50,321,000
Recommended in the bill	45,321,000
Bill compared with:	
Appropriation, fiscal year 2012	−5,374,000
Budget estimate, fiscal year 2013	−5,000,000

MISSION

The National Protection and Programs Directorate (NPPD) includes programs focused on the security of the Nation's physical and cyber infrastructure and interoperable communications systems. The Management and Administration account funds the immediate office of the Under Secretary for National Protection and Programs; provides for administrative overhead costs such as IT support and shared services; and includes a national planning office for development of standard doctrine and policy for infrastructure protection and cyber security.

RECOMMENDATION

The Committee recommends $45,321,000 for the Office of the Under Secretary for NPPD, $5,000,000 below the amount requested and $5,374,000 below the amount provided in fiscal year 2012. The recommendation includes a decrease of $5,000,000 as a result of DHS budget request's reliance upon unauthorized fee collections, a flawed request regarding CBP's access to fee collections, and poor compliance with statutory requirements. Further, the recommended level does not include funding for the civilian pay raise.

The Committee is dismayed that NPPD failed to provide an edited transcript or questions for the record with respect to its fiscal year 2013 budget hearing in a timely manner. The blatant dismissal of deadlines is disturbing and significantly hinders the Committee's ability to perform oversight of these vital programs.

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

Appropriation, fiscal year 2012	$888,243,000
Budget estimate, fiscal year 2013	1,166,633,000
Recommended in the bill	1,110,430,000
Bill compared with:	
Appropriation, fiscal year 2012	+222,187,000
Budget estimate, fiscal year 2013	−56,203,000

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 $1,110,430,000 for Infrastructure Protection and Information Security, $56,203,000 below the amount requested for fiscal year 2013 and $222,187,000 above the amount provided in fiscal year 2012.

The Committee recommends $225,765,000 for Infrastructure Protection, $29,317,000 below the amount requested for fiscal year 2013 and $69,687,000 below the amount provided in fiscal year 2012. This decrease is due to significant unobligated balances within Infrastructure Security Compliance programs and continued delays with the implementation of the Chemical Facility Anti-Terrorism Standards (CFATS) program.

The Committee recommends $884,665,000 for the National Cyber Security Division (NCSD), $26,886,000 below the amount requested and $291,874,000 above the amount provided in fiscal year 2012. The Committee realigns $4,000,000 for the National Computer Forensic Institute to the United States Secret Service. Reductions to the Network Security Deployment PPA are attributable to the continued concern with the ability of the NCSD to fully obligate the funds provided by Congress. The Committee recommends $18,947,000, a decrease of $3,010,000 below the request and $5,045,000 below the amount provided in fiscal year 2012 for Global Cyber Security Management, as a result of the failure to fully justify the requested funds. The recommendation includes $12,930,000 for the Programs to Study and Enhance Telecommunications, a decrease of $6,664,000 from the request and $511,000 below the amount provided in fiscal year 2012 due to the termination of the Critical Infrastructure Warning Information Network.

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

	Budget Request	Recommendation
Infrastructure Protection:		
Infrastructure Analysis & Planning	$56,909,000	$56,866,000
Sector Management & Governance	67,132,000	67,061,000
Regional Field Operations	56,497,000	56,418,000
Infrastructure Security Compliance	74,544,000	45,420,000
Subtotal, Infrastructure Protection	255,082,000	225,765,000
Cybersecurity and Communications:		
Cybersecurity:		
Cybersecurity Coordination	3,995,000	3,986,000
US-Computer Emergency Readiness Team Operations	93,002,000	92,927,000
Federal Network Security	236,014,000	235,992,000
Network Security Deployment	345,046,000	328,046,000
Global Cyber Security Management	21,957,000	18,947,000
Critical Infrastructure Cyber Protection & Awareness	62,763,000	62,748,000

	Budget Request	Recommendation
Business Operations	6,227,000	6,211,000
Subtotal, Cybersecurity	769,004,000	748,857,000
Communications:		
Office of Emergency Communications	38,689,000	38,654,000
Priority Telecommunications Services	53,286,000	53,265,000
Next Generation Networks	20,000,000	19,999,000
Programs to Study and Enhance Telecommunications	19,594,000	12,930,000
Critical Infrastructure Protection Programs	10,978,000	10,960,000
Subtotal, Communications	142,547,000	135,808,000
Subtotal, Cybersecurity and Communications	911,551,000	884,665,000
Total, Infrastructure Protection and Information Security	$1,166,663,000	$1,110,430,000

CHEMICAL FACILITY ANTI-TERRORISM STANDARDS AND AMMONIUM NITRATE

Section 550 of 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 Public Law 109–329. Since that time and in spite of ample appropriations provided by Congress, the Department has made little progress carrying out its regulatory responsibilities for either the Chemical Facility Anti-Terrorism Standards (CFATS) program or Ammonium Nitrate.

In December 2011, an internal memorandum disclosed numerous problems with the CFATS program. To address these issues, an action plan was developed by NPPD leadership with tasks and duties assigned throughout the organization. While the Committee commends NPPD for undertaking the review and developing a subsequent action plan, the Committee remains concerned with the troubling findings of the internal review and the future implementation of the program that was originally authorized over five years ago. It is the Committee's understanding that even with the changes that are currently being implemented, it will still be more than a year before the CFATS regulatory process authorizes, approves, and inspects even a single facility of the over 4,500 facilities that are part of the program. Furthermore, based on information received by the Committee, it may be almost seven years before all facilities will be fully authorized, approved, and inspected. This type of timeline and lack of progress is unacceptable.

In contrast to the CFATS implementation, the Committee notes the urgency and competence the Coast Guard demonstrated in successfully implementing MTSA, a far more extensive regulatory regime. In comparison to the CFATS program, the Coast Guard successfully implemented a regulatory review and compliance program for all port facilities, including chemical facilities, as required by the Maritime Transportation Security Act of 2002. In less than two years after enactment of that Act, vessels and port facilities had conducted vulnerability assessments and developed security plans to include: passenger, vehicle, and baggage screening procedures; security patrols; restricted areas; personnel identification procedures; access control measures; and/or installation of surveillance equipment. The Coast Guard had reviewed and approved these

plans and, to this day, continues to regularly inspect the facilities and vessels for compliance to ensure there is a consistent, risk-based security program for all the Nation's ports to better identify and deter threats.

While statutory requirements for standards associated with section 550 and MTSA are not the same, the Committee expects the Department to effectively manage serious programs to mitigate real risks. Because the Coast Guard was able to meet its statutory requirements, whereas NPPD has challenged to meet the statutory requirements of the CFATS program, the Committee directs the Under Secretary for NPPD, in conjunction with the Commandant of the Coast Guard, to undertake a critical review of the Department's implementation of the CFATS program. The review is to focus on program implementation, personnel management, inspector training, review and enforcement of site security plans, and collaboration and communication within the Infrastructure Security Compliance Division (ISCD) and the CFATS regulated community. Specifically, the review shall address the following questions:

1. Is the ISCD organized to efficiently, effectively, and faithfully carry out the requirements detailed in Section 550 of Public Law 109–295? If not, what are the organizational gaps? How should it be structured and manned to ensure faithful execution of Section 550 of Public Law 109–295?

2. Is the Site Security Plan program sufficient and justified to accomplish the goals of the CFATS program? Can the program authorize, approve, and inspect facilities in a timely manner, and what constitutes "timely"? Are there alternatives that are less onerous than the requirements currently required under CFATS?

3. Should the facility inspection process be streamlined and if so, what is the most efficient mechanism to do so, particularly for low-threat facilities?

4. Are the requirements for ISCD personnel for the inspection process—to include manning, training, site visits, and enforcement—being met? If not, how would they be satisfied?

5. Have clear training and guidance materials been provided to the inspectors so that they can review security plans and conduct inspections consistently, regardless of the type of facility visited?

6. Has ICSD developed adequate plans for follow up inspections for entities whose Site Security Plans have been approved? For example, should the facility be audited on an annual basis if there has been a modification to the structure or infrastructure support at the facility, if there has been a modification in security measures, or if there has been a modification to operations that impacts security processes or procedures?

7. Does the CFATS program include the appropriate level of stakeholder outreach to address valid industry concerns? What mechanisms are in place to ensure not only consistent outreach, but also inclusion and use of valid tools and services that stakeholders could offer?

8. Are the requirements outlined in the Information Collection Request Reference Number 201105–1670–002 duplicative of other programs? Are there more efficient and effective meth-

ods to ensure that a risk-based performance standard for personnel surety programs is not overly prescriptive and costly?

Also, the report shall include a detailed blueprint to include timelines and cost for how the Department shall correct deficiencies identified in the review and action plan. The Committee directs the Under Secretary and the Commandant to submit the report to the Committees on Appropriations of the Senate and the House and the relevant authorizing committees of jurisdiction, including the House Committees on Energy and Commerce and on Homeland Security, no later than April 1, 2013.

ALTERNATIVE SECURITY SITE PLANS

The Committee directs the Under Secretary of NPPD to provide a report to the Committees on Appropriations of the Senate and the House and the relevant authorizing committees of jurisdiction, to include the House Committees on Energy and Commerce and on Homeland Security, no later than April 1, 2013 on how the CFATS program is addressing the use of alternative security programs established by private sector entities in the implementation of the CFATS program as authorized in Section 550, Public Law 109–295. In light of estimates that it may be seven years before all facilities have an approved Site Security Plan and are inspected, NPPD must look at alternative methods to address the massive backlog of unapproved site security plans. While alternative site security programs may not be advisable for high-risk facilities, the Committee believes that in many cases the use of alternative programs may be an efficient and effective method to reduce the backlog currently in existence.

PERSONNEL SURETY PROGRAM

As noted above, section 550 of the fiscal year 2007 DHS Appropriation Act required DHS to establish risk-based performance standards for chemical facilities. In 2009, DHS promulgated an interim rule outlining 18 Risk-Based Performance Standards (RBPS) with which covered chemical facilities must comply. Included in the regulations was a performance standard for personnel surety (6 CFR 27.230(a)(12)) that requires covered chemical facilities to verify and validate identity, check criminal history, verify and validate legal authorization to work, and identify individuals with terrorist ties. In order to comply with the latter, DHS has proposed creating a program that is a biographic information-based screening program that will require industry to submit names of individuals to DHS to be screened against the Terrorist Screening Database (TSDB).

The Committee has several concerns with this proposal for personnel surety. First, industry has asserted that many individuals requiring access to chemical facilities have TWICs; and, therefore, the new screening program would be redundant. The effort associated with implementing a new, redundant screening program may force facilities to divert precious resources from other more vulnerable areas. Second, as the new screening program is currently designed, a facility will not necessarily be notified if a person has been identified in the TSDB. While the Committee understands the need to protect ongoing investigations, the liability concerns of al-

lowing a person in the TSDB into a chemical facility is distressing to the Committee and to industry stakeholders.

The Committee directs the Under Secretary of NPPD to address these concerns prior to moving forward with the currently proposed personnel surety program. Further, the Under Secretary shall provide a report to the Committees on Appropriations of the Senate and the House and the relevant authorizing committees of jurisdiction, including the House Committees on Energy and Commerce and on Homeland Security, no later than April 1, 2013 on steps NPPD is taking: (1) to leverage the existing infrastructure within DHS and industry to avoid costly duplication of programs; and (2) to ensure safety of facilities is not compromised inadvertently due to protection of criminal investigations. The report shall also include an assessment of how many chemical workers are already covered by other DHS screening programs, notably TWIC. While the Department has resisted making such an assessment, the Committee contends it is necessary information in determining the appropriate screening mechanism for CFATS compliance.

AUTOMATED AND CONTINUOUS MONITORING

The Federal government has a duty to the taxpayer and American citizens to secure Federal information systems. While progress has been made in this regard, there is significant room for improvement. Many of these improvements do not require legislative relief or substantial increases in Federal agency discretionary spending, but instead require higher prioritization by the Administration and the Office of Management and Budget (OMB) to ensure agencies and Departments secure their networks. The failure by OMB to compel Departments and agencies to secure their networks by requiring them to properly resource needed reforms is distressing and it can no longer continue. These failures are highlighted in the recently released annual Federal Information Security Management Act (FISMA) report to Congress. Significant areas of concern include uneven efforts for continuous monitoring and traffic consolidation to Trusted Internet Connections.

To provide a cost effective and immediate option to address the need for automated and continuous monitoring on Federal (".gov") networks, the Committee recommends $202,000,000 for a new automated and continuous monitoring program as specified in title V of this bill. The budget request included funds for a cyber-capability improvement program that required the transfer of funds to other departments notwithstanding section 503 of this bill. The Committee specifically denies this request.

The funds recommended shall be used to implement OMB Memorandum 10–28 by providing oversight, support and assistance to Federal agency efforts to help secure government networks. Specifically, the funds shall be used to provide adequate, risk-based, and cost-effective cybersecurity to address escalating and rapidly evolving threats to information security, to include the acquisition of an automated and continuous monitoring program. Software procured by these funds, however, shall not collect or store personally identifiable information nor monitor the content of network traffic. This program shall also be installed, maintained, and operated in accordance with all applicable privacy laws and related agency restrictions regarding personally identifiable information and sen-

sitive data or content. This diagnostic program must therefore ensure both the security and network integrity of Federal government systems as neither can be compromised.

The Committee provides this funding in a similar structure as it has previously provided funds for National Cyber Security Protection program, also known as Einstein. However, the Committee notes that there is no statutory requirement for agencies to use the DHS-funded systems and they could use their own funding, if OMB approves it, to procure such systems. The Committee further notes that departments and agencies may, with OMB concurrence, fund other programs based on agency specific mission requirements. The Committee includes language that specifically states that funds may not be used to supplant agency budgets. The tools DHS will procure through this funding will be more cost effective since it is one, relatively large and scalable program instead of multiple disparate programs. The Committee believes that these funds used for these purposes provide a strong option for agencies to obtain and install automated and continuous monitoring on their networks by the end of fiscal year 2013.

The Committee directs that the required expenditure plans be provided to the appropriate subcommittee of jurisdiction on the Committees on Appropriation.

The Committee directs the Under Secretary for NPPD to submit a report detailing the obligation and expenditure of funds no later than January 1, 2013 and quarterly thereafter to the Committees on Appropriations of the Senate and the House of Representatives.

NATIONAL CYBER SECURITY PROTECTION SYSTEM

The Committee recommends $328,046,000 for the National Security Deployment and the National Cyber security Protection System (NCPS). NCPS, also known as Einstein, is an integrated system of intrusion detection, analytics, intrusion prevention, and information sharing capabilities that are used to defend Federal civilian department and agency information technology infrastructure from cyber threats.

The deployment of the intrusion detection capabilities of Einstein 1 and 2 has been hindered and significantly slowed by lack of prioritization within other Federal civilian departments and agencies to include non-compliance with the requirement to consolidate traffic through Trusted Internet Connections. This apathetic attitude towards improving cyber security continues today in various departments and agencies. The absence of emphasis on protecting networks puts our Nation at risk and can no longer be tolerated.

The deployment of capability to prevent intrusions with Einstein 3 will alleviate some of these obstacles but still requires the departments and agencies to cooperate with DHS. As with other cyber programs, a legislative remedy is not necessarily required. Instead, OMB shall ensure that each agency participates in this government-wide program by resourcing internal network security programs properly and by fully cooperating with DHS as DHS works to segregate all government traffic within various internet service providers.

OUTREACH TO VETERANS

The Committee is aware of the growing need for well-trained cyber security, computer forensics, and information assurance professionals at every level of government and throughout the private sector. The Committee is also aware of the alarming unemployment rate among post 9/11 era veterans, especially younger veterans. Attempts have been made to address these concerns, but challenges remain. By effectively training veterans in these critical areas of need, the government can enable employment and address the growing threat of cyber-attacks. The Committee directs the Secretary of Homeland Security, in conjunction with the Departments of Veterans Affairs, Defense, and Labor to develop a plan for a veteran's cybersecurity workforce that will leverage training capabilities across government, academia, and the private sector to put veterans to work securing our Nation's cyber infrastructure.

CYBERSECURITY PARTNERSHIPS

The Committee directs the Under Secretary for NPPD to review existing government cyber organizations to leverage the vast capability that already exists in organizations outside of NPPD. There are numerous organizations throughout the Nation that work every day in the cybersecurity environment. Their experience should be sought and used.

GRANT PROGRAMS

The Committee directs the Under Secretary for NPPD to provide a report detailing all NPPD grant programs, the justification for the program, the strategy for how the programs align with the NPPD mission, and future funding requirements. In addition to the requirements in Section 507 of this bill, the Under Secretary of NPPD shall include a summary of the market research that was conducted to justify the award of a sole-source grant.

FEDERAL PROTECTIVE SERVICE

Appropriation, fiscal year 2012	$1,261,537,000
Budget estimate, fiscal year 2013	1,301,824,000
Recommended in the bill	1,301,824,000
Bill compared with:	
Appropriation, fiscal year 2012	+40,287,000
Budget estimate, fiscal year 2013	– – –

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 $1,301,824,000 for FPS, the same as the amount requested and $40,287,000 above the amount provided in fiscal year 2012. All of these expenditures will be paid by fees collected from FPS customer agencies.

OFFICE OF BIOMETRIC IDENTITY MANAGEMENT

Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	– – –
Recommended in the bill	$191,380,000
Bill compared with:	
Appropriation, fiscal year 2012	+191,380,000
Budget estimate, fiscal year 2013	+191,380,000

MISSION

The new Office of Biometric Identity Management (OBIM) is the lead entity within DHS responsible for biometric identity management services through its management of the Automated Biometric Identification System, or IDENT. OBIM takes the most significant and cross-cutting responsibility from what was known as the United States Visitor and Immigrant Status Indicator Technology (US–VISIT) program—namely to serve customers across DHS, at other Federal agencies, more broadly to State and local law enforcement, and foreign partners through storage of biometric identities, recurrent matching against derogatory information, and other biometric expertise and services. As the steward of IDENT and a center of expertise related to biometrics, OBIM provides an invaluable capability to bolster our national security and public safety, as well as the integrity of our immigration system. OBIM is responsible for furthering full interoperability and real-time data sharing among the Homeland Security, Justice, and Defense Departments' biometric identity management systems.

RECOMMENDATION

The Committee recommends $191,380,000 for OBIM. This level includes: $34,894,000 for Salaries and Expenses; $15,980,000 for Systems Engineering; $120,450,000 for Operations and Maintenance, to include $65,500,000 for IDENT; and $20,056,000 for Identity Management and Screening Services. Funding is not provided for OBIM to continue US–VISIT's staff rotations to international partner agencies. However, the Committee strongly supports continuation of core international activities that result in or further actual data sharing arrangements including OBIM's support of the Five Country Conference biometric sharing and Visa Waiver Program data sharing. OBIM is strongly encouraged to identify other efficiencies through reassessing its staffing, travel, and contractor support requirements through this transition.

The budget request proposed $261,523,000 in CBP and $17,610,000 in ICE for a total request of $279,133,000 for US–VISIT activities. The Committee recommends $60,959,000 to ICE in order to fully fund overstay analysis previously performed by US–VISIT, to include the Data Integrity Group (DIG), the Arrival and Departure Information System (ADIS), and overstay analysis services. The Committee also recommends $12,284,000 to CBP related to entry/exit policy and operations.

The Committee directs OBIM to work with ICE in developing a transition plan to appropriately split contractor support for ADIS and IDENT. The bill provides language allowing OBIM and ICE to transfer up to $5,000,000 to each other to support the transition plan and facilitate smooth operation of ADIS in the interim period.

As a result of the redistribution of US–VISIT responsibilities to the appropriate mission owners, the Committee has identified $14,510,000 in savings in this bill. The funding recommended in this bill supports current service levels, maintains staffing, and realizes additional efficiencies when compared with the budget request.

CONGRESSIONAL BUDGET JUSTIFICATION

OBIM is directed to provide an expenditure plan detailing all fund allocations and staff realignments for the fiscal year, including other efficiencies. The bill also 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 OBIM as well as project future year requirements and funding levels for projects that cross multiple fiscal years. The requirement for better justification at the time of the request not only instills more discipline in planning processes enabling more effective oversight, but also eliminates the need for expenditure plans and withholding of funds well into the fiscal year of budget execution. A total of $25,000,000 will be withheld until the multi-year investment and management plan is received. OBIM, in conjunction with the Chief Financial Officer, is encouraged to continue working with the Committee in developing new materials for the Congressional Budget Justifications as was recommended in last year's report.

OPERATIONS AND MAINTENANCE

The Committee includes $120,450,000 for Operations and Maintenance. IDENT will continue to provide essential services to the immigration and border management enterprise and support the needs of the Department and other Federal, State, local law enforcement and international partners. The Committee also encourages OBIM to continue its efforts to reduce IDENT infrastructure operating costs while ensuring that current level of services are maintained. Additionally, many contractors have overlapping responsibilities, especially in supporting both ADIS and IDENT functions; fingerprint analysis; data center mirroring and migration efforts; and overstay analysis. Additional efficiencies should be realized through rebaselining the contractor levels required to support core IDENT functionalities. The Committee directs OBIM to include these efficiencies in its expenditure plan.

IDENTITY MANAGEMENT AND SCREENING SERVICES

The Committee includes $20,056,000 for Identity Management and Screening Services, to include funding for biometric and identity analysis services. This funding also allows for continued technical and analysis support to key domestic and international partners. The Committee especially recommends that OBIM continue its data sharing and connectivity improvement efforts with the In-

telligence Community as biometric analysis is an important element to the identification of suspected terrorists and other high-risk persons. OBIM should also continue its IDENT modernization efforts beyond steady state operations. As such, the Committee directs OBIM to provide quarterly briefings on its workload and service levels, including any backlogs that may result from an influx of transactions of new users. These IDENT modernization activities should be outlined in OBIM's investment and management plan. Additionally, OBIM is directed to meet the retention periods associated with TSA programs and to enroll the biometrics of TSA's special vetted populations within 60 days after the date of enactment of this Act. The Committee is disappointed at the lack of progress made towards this initiative, despite its repeated recommendations for US-VISIT to complete this process.

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 (IAFIS), as well as other law enforcement agencies; and enhance multi-modal capabilities in IDENT for all users. The Defense and State Departments are integral partners to this initiative. The Committee continues to be pleased with the excellent coordination and cooperation among Federal agencies in enhancing interoperability, accelerating the response times, and sharing biometric information, and strongly encourages OBIM to reallocate funding previously used for US-VISIT contractor services in order to continue the Unique Identity program. This decision should be made as part of its contractor review and explained in the expenditure plan. The Committee also directs OBIM and its counterparts at the Justice, State, and Defense Departments to continue providing semi-annual briefings on the progress in implementing system interoperability, operational impacts resulting from remaining gaps, and steps being taken to close these gaps.

ENTRY EXIT POLICY AND OPERATIONS

The Committee recommends transfer of entry-exit policy and operations to CBP. Within CBP the Office of Field Operations (OFO) is the mission owner for the policy and operations associated with processing legitimate travelers into and out of the country. As such, OFO is responsible for collection of information, including biometrics, from appropriate individuals as part of its processing. While that information resides in IDENT, CBP owns the business process, requirements, and staff necessary for these operations. Responsibility for implementing a biometric exit program lies with CBP.

OVERSTAY BACKLOG ELIMINATION

The Committee continues to be concerned about the identification and resolution of visa overstays, which was a critical function performed by the DIG. ICE is in a better position to enforce overstay violations now that it is performing core DIG roles and assuming operations and maintenance of ADIS. The Committee, there-

fore, directs ICE to provide semi-annual briefings on the overstay backlog elimination effort; to ensure that similar backlogs do not arise again in the future; and to update the Committee on its overstay enforcement strategy.

OFFICE OF HEALTH AFFAIRS

Appropriation, fiscal year 2012	$167,449,000
Budget estimate, fiscal year 2013	166,458,000
Recommended in the bill	132,003,000
Bill compared with:	
Appropriation, fiscal year 2012	−35,446,000
Budget estimate, fiscal year 2013	−34,455,000

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 $132,003,000 for OHA, $34,455,000 below the requested amount and $35,446,000 below the amount provided in fiscal year 2012. A comparison of the budget estimate to the Committee recommended level by PPA is as follows:

	Budget Estimate	Recommended
BioWatch	$125,294,000	$85,394,000
National Biosurveillance Integration System	8,000,000	13,000,000
Chemical Defense Program	500,000	500,000
Planning and Coordination	4,907,000	5,407,000
Salaries and Expenses	27,757,000	27,702,000
Total, Office of Health Affairs	$166,458,000	$132,003,000

BIOSURVEILLANCE ACTIVITIES

The Committee recommends $85,394,000 for the BioWatch program, $39,900,000 below the requested amount and $28,770,000 below the amount provided in fiscal year 2012. This funding sustains Generations 1 and 2 operations but does not support the requested Generation 3 increase of $39,904,000. The Committee likewise continues its requirement for OHA to notify the Committee 15 days prior to deploying any BioWatch device to a new location.

While the Committee supports OHA's ongoing efforts to improve our Nation's biological detection capabilities, it has serious concerns about BioWatch Generation 3 program delays and inexplicably large carryover balances. The Gen 3 program is designed to enhance current detection capabilities which require labor-intensive manual collection and testing of samples with a fully automated, networked system that will greatly improve the response time to a potential bio-terror attack.

The Investment Review Board (IRB) assessment of Gen 3 continues to be postponed, while OHA cannot adequately explain how it plans to spend funds in the meantime that were previously ap-

propriated for this initiative. Furthermore, the Department has not decided to move forward with plans to procure production-ready systems yet requests funding anyway that will not be used for this purpose until at least fiscal year 2015. If through the course of its program reviews the Department decides to procure systems, the Committee recommends that OHA use its unexpended funds for this purpose in fiscal year 2013. Additionally, OHA should review, and revise if necessary, its acquisition strategies to ensure that all available technologies are considered through open-market competition and full vendor consideration. The Committee directs the Assistant Secretary for Health Affairs to brief the Committee no later than 30 days after the date of enactment of this Act on the status of the ongoing reviews of BioWatch. Further, the briefing shall include an expenditure plan for the languishing fiscal year 2012 funds. The Committee also requires OHA to provide an expenditure plan within 45 days of the enactment of this Act, while noting that it has not yet received the expenditure plan required in fiscal year 2012. This lateness is unacceptable and significantly impedes the Committee's ability to conduct its core oversight responsibilities.

NATIONAL BIOSURVEILLANCE INTEGRATION SYSTEM

The Committee recommends $13,000,000 for the National Bio-Surveillance Integration System (NBIS), $5,000,000 above the amount requested and $987,000 above the amount provided in fiscal year 2012. Funds provided for this function shall be used to sustain existing biosurveillance capabilities and activities. In 2012, NBIS planned to develop several pilot projects with other Federal, State, private sector, and non-governmental entities in the following areas: food; agriculture; emerging diseases and human health; social media; and State and local biosurveillance data sharing. The increase of $5,000,000 above the request is to sustain existing biosurveillance activities and to expand the diversification of biosurveillance capabilities through new pilots that shall be awarded on a competitive basis.

The Committee also remains concerned with the progress of the National Biosurveillance Integration Center (NBIC) in defining its goals and objectives, implementing its mission, and demonstrating its value to the wider biosurveillance community. The Committee has clearly described these concerns in detail since at least fiscal year 2011 and recommended last year that OHA submit a strategic plan with its fiscal year 2013 request. While OHA states that it recently completed a strategic plan in collaboration with NBIS Member Agencies, this plan has not yet been provided to Congress. These concerns are especially valid given that OHA plans to relocate NBIC in the near future without explaining the benefits of this move. The Committee, therefore, directs OHA to submit a NBIC strategic plan within 90 days after the date of enactment of this Act, to include details of all data-sharing partnerships, obstacles that impede these relationships, and plans to mitigate such challenges.

PLANNING AND COORDINATION

The Committee recommends $5,407,000 for Planning and Coordination activities, $500,000 above the requested amount and

$755,000 below the amount provided in fiscal year 2012. The Committee recommends this increase 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.

SALARIES AND EXPENSES

The Committee recommends $27,702,000 for Salaries and Expenses, $55,000 below the requested amount and $1,969,000 below the amount provided in fiscal year 2012. This reduction is for the denial of the proposed pay raise that was included in the budget request.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$895,350,000
Budget estimate, fiscal year 2013	789,172,000
Recommended in the bill	712,565,000
Bill compared with:	
Appropriation, fiscal year 2012	−182,785,000
Budget estimate, fiscal year 2013	−76,607,000

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. Salaries and Expenses support all of FEMA's programs by coordinating all policy, managerial, resource, and administrative actions between headquarters and regional offices.

RECOMMENDATION

The Committee recommends $712,565,000 for Salaries and Expenses, $76,607,000 below the amount requested and $182,785,000 below the amount provided in fiscal year 2012. Within this amount is $5,000,000 for unfunded maintenance and capital improvements at national training centers. The recommendation includes a decrease of $22,839,000 to the "Administrative and Regional Offices"

PPA due to the DHS budget request's reliance upon unauthorized fee collections, a flawed request regarding CBP's access to fee collections, and poor compliance with statutory requirements. Further, it includes a decrease of $3,084,000 for denial of pay raise and $2,364,000 for the realignment of the functions associated with the Office of National Capital Region Coordination. The recommendation also includes a transfer of all funds for the Chief Information Office from this account into a new account specifically for automation modernization. In addition, the bill transfers 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.

FEMA shall provide an expenditure plan no later than 90 days after the date of enactment of this Act. The plan shall be detailed by the PPA structure as detailed in this report and by office. It shall include actual funding from the prior year, the current fiscal year, and deviations between the two years. Each year shall include the number of positions, the number of FTE, the amount for salaries and benefits, and the amount for the program, showing all sources of funding. Specific information regarding the transfer of funding from other appropriations should be included, with the same level of detail currently provided to the Committee.

The following table summarizes the Committee's recommendation by PPA:

	Budget request	Recommended
Administrative and Regional Offices	$214,603,000	$191,764,000
Preparedness and Protection	73,153,000	73,105,000
Response	171,897,000	171,644,000
Urban Search and Rescue Response System	(27,513,000)	(27,513,000)
Recovery	55,423,000	55,299,000
Mitigation	27,110,000	27,087,000
Mission Support	152,806,000	94,486,000
Centrally Managed Accounts	94,180,000	99,180,000
Total, Salaries and Expenses	$789,172,000	$712,565,000

FACILITIES MANAGEMENT

The Committee recommends $5,000,000 above the requested to address unfunded repairs and capital improvement for unfunded projects at national training centers. None of these funds may be obligated until five days after the Chief Financial Officer (CFO) of FEMA briefs the Committee on an execution plan for these funds.

NATIONAL CAPITAL REGION COORDINATION

The Committee recommends $2,493,000 for activities required by Section 882 of the Homeland Security Act of 2002, a reduction of $2,364,000 from the amount requested and $3,129,000 below the amount provided in fiscal year 2012. The functions and personnel shall be transferred to the Office of the Administrator to allow for a more efficient and effective use of taxpayer funds.

MOUNT WEATHER EMERGENCY OPERATIONS CENTER

The Committee recommends $22,000,000 for the Mount Weather Emergency Operations Center facility, the same as the amount re-

quested and $10,000,000 above the amount provided in fiscal year 2012.

URBAN SEARCH AND RESCUE RESPONSE SYSTEM

The Committee recommends $27,513,000 for Urban Search and Rescue Response System from within the amount requested for Salaries and Expenses, the same as the amount requested and $13,737,000 below the amount provided in fiscal year 2012.

CONGRESSIONAL JUSTIFICATION

The Committee continues bill language requiring FEMA to submit its fiscal year 2014 budget request by office. The Committee is pleased that this year's budget submission provided fiscal year 2013 budget request levels for many priority programs. For the fiscal year 2014 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 2013 budget request.

SOCIAL MEDIA

Real-time information gathering is critical in the wake of a natural disaster. Enabling first responders to utilize the most recent, up-to-date data is a key component to ensuring emergency response efforts. One way to collect real-time data is through the emergence of publicly available, social network messaging to provide insight into the aftermath of natural disasters. The Committee understands FEMA is examining ways in which to expand the application of this type of real-time data collection through social media as well as other uses of social media during disasters. As social media continues to become an even more powerful tool, the Committee directs DHS and FEMA to harness and apply these capabilities in support of its emergency management mission. The Committee directs the Administrator of FEMA to provide a report to the Committees on Appropriations of the Senate and the House detailing efforts to use social media in disaster response activities no later than 90 days after the date of enactment of this Act.

AUTOMATION MODERNIZATION

Appropriation, fiscal year 2012	– – –
Budget request, fiscal year 2013	– – –
Recommended in the bill	$58,048,000
Bill compared with:	
Appropriation, fiscal year 2012	+58,048,000
Budget estimate, fiscal year 2013	+58,048,000

MISSION

The Automation Modernization account funds major information technology projects for the Federal Emergency Management Agency.

RECOMMENDATION

The Committee recommends $58,048,000 for automation modernization, the amount requested under "Salaries and Expenses" for the Office of the Chief Information Officer. Public Law 112–74 requires FEMA to submit to Congress a strategy for a comprehen-

sive plan to automate and modernize their information systems. Using this plan and the information FEMA incorporated into the Office of Management and Budget's "IT Dashboard," the Committee directs FEMA to fund all automation modernization programs from within this new appropriation. This new appropriation will facilitate better oversight of automation programs.

According to the "IT Dashboard", FEMA has $271,700,000 in fiscal year 2013 for information technology, to include three programs classified as "major investment." However, the Committee is unable to identify how these programs are funded in the fiscal year 2013 budget. This new account will therefore provide the visibility needed in this area of investment. FEMA is encouraged to work with the Committee prior to the submission of the fiscal year 2014 budget request to delineate the specific programs and types of activities to include in this account.

STATE AND LOCAL PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

Appropriation, fiscal year 2012	$1,349,681,000
Budget estimate, fiscal year 2013 [1]	2,900,212,000
Recommended in the bill	1,762,589,000
Bill compared with:	
Appropriation, fiscal year 2012	+412,908,000
Budget estimate, fiscal year 2013	−1,137,623,000

[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 and training programs.

RECOMMENDATION

The Committee recommends $1,762,589,000 for State and Local Programs, $1,137,623,000 below the amount requested and $412,908,000 above the amount provided in fiscal year 2012.

As part of the budget request, the Administration proposed including the Firefighter Assistance Grants and Emergency Management Performance Grants under this program. The Committee again denies this proposal and recommends funding for both of these grant programs as separate appropriations, consistent with prior years.

In fiscal year 2013, FEMA proposed a new grant program called the National Preparedness Grant Program under State and Local Programs. This proposal is denied due to the lack of Congressional authorization and the lack of the necessary details that are required for the initiation of a new program to include grant guidance and implementation plans. The Department should work with the appropriate committees of jurisdiction to obtain the necessary authorizing legislation and to clearly define the Federal role and reassess the most effective delivery of support and resources to sustain and improve homeland security capabilities prior to submitting a budget request for such a program. Additionally, the Committee met with and heard testimony from numerous stakeholders

that expressed concern not just with the grant proposal but also with the lack of stakeholder outreach prior to the program's introduction. The Committee considers this lack of outreach concerning and it should be addressed.

Due to these concerns, the Committee continues the grant structure as enacted in fiscal year 2012. The funds provided for State and Local Program grants are to be allocated by the Secretary of Homeland Security according to threat, vulnerability, and consequence to assist high-risk urban areas, States, local and Tribal governments, and other homeland security partners in preventing, preparing for, protecting against, and responding to acts of terrorism.

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 in the furtherance of the Nation's border security. Operation Stonegarden's eligible costs include, but shall not necessarily be limited to, include: 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.

Further, within the funds made available under this heading, no less than $150,000,000 is for areas at the highest threat of a terrorist attack, $50,000,000 above the minimum amount required in fiscal year 2012.

The Committee recommends $231,681,000 for National Programs, the same as the amount provided in fiscal year 2012, to sustain these programs at the same funding levels and for the same purposes as provided in fiscal year 2012. 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 and report back to the Committee within 180 days after the date of enactment of this Act on the progress of this review.

The Committee continues bill language mandating timeframes for the application process of certain grants to ensure that funds do not languish at DHS and limits to not more than five percent the amount a grantee may allocate for expenses directly related to administration of the grant.

The Committee includes bill language allowing the transfer of up to seven percent of State and Local program dollars to FEMA's Salaries and Expenses account for costs associated with administering grants and training programs. FEMA is required to submit an ex-

penditure plan no later than 60 days after the date of enactment of this Act on the use of the administrative funds.

The Committee continues bill language allowing for the construction of communication towers and requiring that grantees shall provide reports on their use of funds.

A provision is continued allowing the Center for Domestic Preparedness to train certain emergency personnel provided it does not interfere with the primary mission to train State and local emergency response providers.

In accordance with the 9/11 Act, at least 25 percent of funds allocated to the State Homeland Security Grant Program (SHSGP) and Urban Area Security Initiative (UASI) 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.

The Committee encourages FEMA to include mitigating the threat of cyber attacks as an eligible grant expense. FEMA shall work in conjunction with the National Cybersecurity Directorate (NCSD) to address methods to leverage Federal cybersecurity programs for use by State and local governments.

The Committee is pleased that in fiscal year 2012, the Department began restoring the original intent of the UASI program by limiting funding to 31 regions. The Committee believes the UASI program should be further focused on the areas under the greatest threat and at the greatest risk, providing funding to a maximum of 25 regions. This will ensure that only those regions at highest-risk of terrorist attack receive funding under UASI in the current fiscal environment.

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 directs the Secretary to review the threat to motor coaches and consider the fact that many regions rely solely on motor coaches as a major means of transportation when determining funding levels for the various grant programs. The Secretary is encouraged to consider providing funds through the Over-the-Road Bus Security Assistance Program, as authorized, to address such needs.

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 is concerned with the newly introduced 24-month funding period that was proposed by the Administration in the fiscal year 2012 Funding Opportunity Announcement. Funding periods that are arbitrarily limited to less than 24-months have the potential to lead, by default, to operating subsidies. FEMA's fiscal year 2012 grant guidance seems to invite just such an outcome by expanding the scope of maintenance and sustainment. The purpose of FEMA's grants, as authorized, are not to serve as operating sub-

sidies for States and local governments; rather, grant funds are intended to improve preparedness capabilities. The Committee directs FEMA to be cognizant of the extended timelines associated with necessary, well-justified capital improvements and ensure the guidance for the various grants allow for capital improvements, as appropriate. Further, FEMA should review the use of one-year extensions, if needed.

The Committee encourages FEMA to review the extension of port security grant program funds specifically awarded for the purchase of TWIC readers until September 30, 2014 so that communities can use these funds to purchase readers once a rule has been finalized.

The Committee includes a general provision requiring FEMA to brief the Committee five days prior to any announcement of State and local grant 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 ongoing appeals within the public assistance program dating back to Hurricane Gustav. The Committee encourages FEMA to consider arbitration, as applicable or other means to address continuing concerns over disputed public assistance reimbursements. Further, the Committee directs the OIG review excessive delays in determinations concerning public assistance programs.

FIREFIGHTER ASSISTANCE GRANTS

Appropriation, fiscal year 2012	$675,000,000
Budget estimate, fiscal year 2013 [1]	– – –
Recommended in the bill	670,000,000
Bill compared with:	
Appropriation, fiscal year 2012	–5,000,000
Budget estimate, fiscal year 2013	+670,000,000

[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 firefighting personnel, including volunteers and emergency medical service personnel, against fire and fire-related hazards.

RECOMMENDATION

The Committee recommends $670,000,000 for Firefighter Assistance Grants, $670,000,000 above the amount requested and $5,000,000 below the amount provided in fiscal year 2012. 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 $335,000,000 for the Assistance to Firefighters Grant program (AFG), which provides firefighter equipment, training, vehicles, and other resources. The Committee also recommends $335,000,000 for firefighter jobs under the Staffing for Adequate Fire and Emergency Response (SAFER) 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, 2014 and no more than 4.7 percent may be used for administrative expenses. FEMA is required to submit an expenditure plan no 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.

The budget request included a reference to hiring post-9/11 veterans with these funds. The Committee is perplexed as to why the Administration has not included this requirement in existing guidance—guidance with respect to unobligated fiscal years 2011 and 2012 funds, totaling more than $700,000,000. The Committee strongly encourages FEMA to include in all current and future grant guidance the need to give hiring preference to post-9/11 veterans. The Committee directs FEMA to report to the Committee quarterly, beginning in the first fiscal quarter after the date of enactment of this Act, on implementation efforts encouraging the hiring of veterans, to include the number of hirings.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

Appropriation, fiscal year 2012	$350,000,000
Budget estimate, fiscal year 2013 [1]	– – –
Recommended in the bill	350,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	+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 the same as the amount provided in fiscal year 2012. 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. The recommendation limits to no more than 2.7 percent the amount that may be used for administrative expenses. EMPG is the one source

of funding for emergency managers that is specifically 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 2012	−$896,000
Budget estimate, fiscal year 2013	−1,443,000
Recommended in the bill	−1,443,000
Bill compared with:	
Appropriation, fiscal year 2012	+547,000
Budget estimate, fiscal year 2013	−−−

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 recommends 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 $547,000 in fiscal year 2013.

UNITED STATES FIRE ADMINISTRATION

Appropriation, fiscal year 2012	$44,038,000
Budget estimate, fiscal year 2013	42,520,000
Recommended in the bill	42,460,000
Bill compared with:	
Appropriation, fiscal year 2012	−1,578,000
Budget estimate, fiscal year 2013	−60,000

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 $42,460,000 for USFA, $60,000 below the request and $1,578,000 below the amount provided in fiscal year 2012. 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 FUND

Appropriation, fiscal year 2012 [1]	$7,100,000,000
Budget estimate, fiscal year 2013 [2]	6,088,926,000
Recommended in the bill [2]	6,088,926,000
Bill compared with:	
Appropriation, fiscal year 2012	−1,011,074,000
Budget estimate, fiscal year 2013	− − −

[1] Includes $6,400,000,000 that was provided in Public Law 112–77 and is designated for major disasters pursuant to 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985.
[2] Includes $5,481,000,000 designated for major disasters pursuant to 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985.

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 a total of $6,088,926,000 for the Disaster Relief Fund. Of the funds provided, $5,481,000,000 is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985. Of the funding not designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985, $24,000,000 shall be transferred to the DHS OIG for audits and investigations related to disasters.

A provision is continued stating the timeframes and information which FEMA must report to the Committees on the Disaster Relief Fund. A report on the expenditure of funds for disaster readiness and support, including quarterly updates, is required, as in previous years.

The Committee continues language requiring annual and monthly DRF reporting as originally directed in Public Law 112–74.

DEBRIS REMOVAL

The Committee remains concerned with the cost of debris removal and the lack of affordable alternatives for communities. As required by the conference report for fiscal year 2012, FEMA provided a report addressing these concerns. Within the report, FEMA indicated that there are numerous initiatives they are reviewing to

address the debris removal cost and would also empower local communities to be better prepared for debris removal after a disaster. Many of the initiatives are the result of lessons learned from the debris pilot program that was authorized in fiscal year 2007.

To address these lessons, the Committee recommends a new general provision directing FEMA to implement many of the initiatives from the debris pilot program. Specifically, the language will provide the authority to make grants based on estimates, provide Federal share incentives, reimburse force account labor, and encourage recycling.

Further, the Committee directs FEMA to work with communities to incentivize them to develop debris management plans and have contracts in place prior to a disaster. Communities that take such actions will be better prepared to respond quickly, and not depend on more costly options such as contractors provided by the U. S. Army Corps of Engineers.

The Administrator of FEMA shall provide a report to the Committees on Appropriations of the Senate and the House and the House Committee on Transportation and Infrastructure on the implementation plan for this program no later than 90 days after the date of enactment of this Act.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

Appropriation, fiscal year 2012	$295,000
Budget estimate, fiscal year 2013	– – –
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	–295,000
Budget estimate, fiscal year 2013	– – –
Limitation on Direct Loans	
Appropriation, fiscal year 2012	$25,000,000
Budget estimate, fiscal year 2013	– – –
Recommended in the bill	– – –
Bill compared with:	
Appropriation, fiscal year 2012	25,000,000
Budget estimate, fiscal year 2013	– – –

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. As requested, no subsidy to cover the costs of these loans is provided because loans have not been made since 1996.

FLOOD HAZARD MAPPING AND RISK ANALYSIS PROGRAM

Appropriation, fiscal year 2012	$97,712,000
Budget estimate, fiscal year 2013	89,329,000
Recommended in the bill	92,145,000
Bill compared with:	
Appropriation, fiscal year 2012	−5,567,000
Budget estimate, fiscal year 2013	+2,816,000

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 $92,145,000 for Flood Hazard Mapping and Risk Analysis, $2,816,000 above the amount requested and $5,567,000 below the amount provided in fiscal year 2012. The Committee notes that an additional $149,000,000 is available for flood plain management and mapping activities within the National Flood Insurance Fund. The Committee encourages FEMA to prioritize as criteria the number of streams, rivers and coastal miles within a State and the participation of the State in leveraging non-federal contributions. The Committee notes that there are thousands of miles of streams, rivers, and coastal lines, including non-levee areas, that still need detailed studies and remapping

The Committee is concerned with the dramatic reductions to flood mapping proposed by the Administration over the past two years. FEMA shall review the impact of the fiscal year 2012 funding reduction on FEMA's statutorily mandated work; discuss effects of decreased funding on the flood mapping program, including the identification of what work had to be delayed or canceled and at what cost; and develop recommendations on ways to improve the solvency of the program in the long run. FEMA shall report its findings and recommendations within 90 days after the date of enactment of this Act.

The Committee is concerned with the implementation of the FEMA flood mapping program and its potential effect on communities who are newly designated in flood hazard zones. The Committee is concerned communities which are designated in a new flood hazard zone for purposes of Flood Insurance Rate Maps have not been granted adequate time to review the new maps before having to make the determination whether or not to adopt the new map or fall out of compliance with the national flood insurance program. The Committee encourages FEMA to grant flexibility to communities upon their request for additional time to review the information by FEMA and consult with their citizens on how to best proceed while maintaining participation in the National Flood Insurance Program.

NATIONAL FLOOD INSURANCE FUND

Appropriation, fiscal year 2012	$171,000,000
Budget estimate, fiscal year 2013	171,000,000
Recommended in the bill	171,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	– – –

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 (NFIP). 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 the same as the amount provided in fiscal year 2012. Consistent with the budget request, the Committee recommends $120,000,000 for flood-related grants. No less than $149,000,000 is available for flood plain management and flood mapping. Flood mitigation funds are available until September 30, 2014 and funding is offset by premium collections.

NATIONAL PREDISASTER MITIGATION FUND

Appropriation, fiscal year 2012	$35,500,000
Budget estimate, fiscal year 2013	– – –
Recommended in the bill	14,331,000
Bill compared with:	
Appropriation, fiscal year 2012	–21,169,000
Budget estimate, fiscal year 2013	+14,331,000

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 $14,331,000 for the National Predisaster Mitigation (PDM) Fund, $14,331,000 above the amount requested and $21,169,000 below the amount provided in fiscal year 2012. The Committee rejects the proposed termination of this program. PDM grants are one of the only programs that provide funding to communities prior to a disaster. It has been repeatedly demonstrated during disasters that these types of investments lead to significant savings by significantly mitigating risks and damage.

EMERGENCY FOOD AND SHELTER

Appropriation, fiscal year 2012	$120,000,000
Budget estimate, fiscal year 2013	100,000,000
Recommended in the bill	120,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	+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 2012.

TITLE IV—RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

Appropriation, fiscal year 2012	$102,424,000
Budget estimate, fiscal year 2013	142,974,000
Recommended in the bill	111,924,000
Bill compared with:	
Appropriation, fiscal year 2012	+9,500,000
Budget estimate, fiscal year 2013	–31,050,000

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 $111,924,000 in discretionary appropriations for USCIS, $31,050,000 below the requested level and $9,500,000 above the amount provided in fiscal year 2012. The recommended level does not include funds for the requested pay increase.

USER FEE FUNDED PROGRAMS

The budget estimates that USCIS will utilize $2,862,409,000 in fee-funded expenditures in fiscal year 2013. The Committee recommendation adds an additional $20,048,000 to that amount for the Systematic Alien Verification for Entitlements (SAVE) pro-

gram, for a total of $2,882,457,000. 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.

With carryover funds and projected revenues, USCIS has sufficient resources available to continue supporting its operations with fee funding, as has traditionally been the practice. In the current fiscal crisis, the Committee cannot ignore this fact; and therefore, continues to direct USCIS to use fee revenues for all its costs with the exception of E-Verify. It is critical that USCIS continue to monitor its fee revenues and obligations against its fee collections. The Committee directs USCIS to continue to brief the Committee quarterly on fee revenues and obligations.

USCIS is finalizing its latest fee study to assess issuance of an updated fee schedule. The Committee directs USCIS to include the costs of operations, such as asylum and refugee processing, in its fee study. Given our nation's strong interests in supporting a path for legal immigrants to become citizens, USCIS is encouraged to be cognizant of the affordability of the naturalization application fee.

MILITARY NATURALIZATIONS

Last year, the Committee made clear that the cost of military naturalizations should be paid by the Department of Defense (DoD). The Committee directs USCIS to ensure that such agreement is codified in a memorandum of understanding (MOU) and to provide a copy of the MOU to the Committee.

USCIS TRANSFORMATION

The Committee remains disappointed with the lack of progress on the USCIS Transformation program and now questions whether continued investment in the current contract is justified. USCIS has obligated $597,100,000 from fiscal year 2006 to January 2012, and not a single capability has been delivered to USCIS customers. Despite the importance of Transformation to USCIS operations, USCIS has repeatedly missed milestones to deliver the first application form type much less additional application forms. The Committee directs USCIS to provide weekly updates on its efforts to deliver the first release, which under its re-baselined program has already been delayed six months. If the first release is not delivered or is not successfully deployed, the Committee directs the Undersecretary for Management to provide a decision to the Committee no later than 60 days after the date of enactment of this Act regarding termination of the contract and other remediation actions the Department will take on Transformation.

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 Committee continues its support for these efforts to increase efficiency; realize cost savings; ensure immediate access for appropriate users across the immigration continuum, rather than shipping A-Files across the country; and reduce the need to retain millions of pages of paper files. The oc-

currence 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. USCIS shall brief the Committee no later than July 1, 2012 on updates related to this effort. Furthermore, should Transformation be abandoned, the Committee directs USCIS to develop a plan for achieving electronic access to all records and submit that plan to the Committee no later than 90 days after such a decision.

The Committee directs USCIS to continue making improvements to the Enterprise Document Management System (EDMS) to address user concerns and make electronic files more searchable. The Committee directs ICE to formalize its internal policy to utilize digital records and provide a copy of the policy to the Committee no later than July 1, 2012. Further, the Committee directs ICE and USCIS to continue working with EOIR to address their concerns or barriers to the use of digital records in proceedings.

ELECTRONIC I–94

The Committee directs USCIS and CBP to brief quarterly on its progress toward elimination of the paper I–94, including USCIS progress in making necessary system changes. During the transition period, while CBP and USCIS are pursuing changes through rulemaking, the Department shall ensure that affected aliens, employers and others who must utilize the I–94 number, particularly for verification of status, clearly understand the interim process for obtaining the valid I–94 number. The Department should undertake extensive outreach, including publication of a detailed notice on its website and in the Federal Register, before it implements interim changes.

E-VERIFY

The Committee recommends $111,924,000 for the E-Verify system, as requested; however, the Committee denies the requested pay raise. The Committee strongly supports continued expansion of E-Verify usage and 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 continued expansion of photo verification. The Committee looks forward to receiving USCIS plan for expanding the use of E-Verify, required in the joint explanatory statement accompanying Public Law 112–74. In addition, the bill extends the authorization of E-Verify for one year, as proposed by the President's budget request.

While USCIS has dramatically improved the accuracy of the system, the Committee shares USCIS' interest in ensuring no work-authorized individual is falsely identified as ineligible to work. To that end, the Committee directs USCIS to create a review process for E-Verify final non-confirmations by June 1, 2013 and brief the Committee quarterly on steps taken to meet this deadline.

USCIS must continue to 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 strongly urges USCIS to update and publish regular E-Verify accuracy and performance audits. The Committee directs USCIS to continue regular briefings on its progress implementing a robust com-

pliance review program for E-Verify, including any instances of misuse of the system and actions taken to address those instances.

SYSTEMATIC ALIEN VERIFICATION FOR ENTITLEMENTS

Due to current budgetary constraints, the Systematic Alien Verification for Entitlements (SAVE) program must continue to be funded through user fees and other USCIS fee revenues. USCIS shall continue to explore all opportunities to reduce the burden on state and local benefits agencies that serve as a disincentive to participation. Additionally, USCIS shall ensure that improvements to the Verification Information System benefit both E-Verify and SAVE users.

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 directed, in the joint explanatory statement accompanying Public Law 112–74, that OIG review the SAVE program. The Committee looks forward to the recommendations in that report and will take appropriate actions as a result.

EFFICIENT PROCESSING OF REFUGEE APPLICATIONS

The Committee is concerned about the detrimental impact that the failure to properly coordinate security and non-security clearance procedures has had on the processing of vulnerable individuals who are in need of and eligible for resettlement to the United States. The Committee urges the Department to work with other relevant Federal agencies, including but not limited to the Department of State, to conduct a review of refugee processing, including security clearances, with the goal of streamlining processing, consistent with maintaining thorough security vetting. The Committee further directs the Department to brief the Committee on the results of its review, no later than 60 days after the date of enactment of this Act. Such report shall include a description of recommended changes to streamline processing and the costs associated with any unfunded needs.

USCIS ADJUDICATION REVIEW

In January 2012, OIG issued a report entitled "The Effects of USCIS Adjudication Procedures and Policies on Fraud Detection by Immigration Service Officers", OIG–12–24. The Committee is concerned about the report's findings and directs USCIS to provide a progress report on its corrective action plan no later than October 1, 2012. The Committee also directs OIG to brief on its assessment of USCIS actions no later than November 1, 2012.

EB–5 IMMIGRANT INVESTOR PROGRAM

In January 2012, USCIS briefed the Committee on inconsistencies and vulnerabilities in the EB–5 Immigrant Investor program that USCIS was beginning to address. The Committee directs USCIS to brief on its progress no later than October 1, 2012.

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. The bill continues a general provision clarifying the availability of fee funds for these grants. 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 fiscal year 2014 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 directs USCIS, with other DHS components as appropriate, to brief the Committee on its efforts 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 so that USCIS has legal methods to address statelessness in the future.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriation, fiscal year 2012	$238,957,000
Budget estimate, fiscal year 2013	228,939,000
Recommended in the bill	228,467,000
Bill compared with:	
Appropriation, fiscal year 2012	−10,490,000
Budget estimate, fiscal year 2013	−472,000

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 90 Federal agen-

cies having law enforcement responsibilities. 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. In cooperation with the State Department, FLETC also manages an International Law Enforcement Academy in Gaborone, Botswana, and serves as Deputy Director at the International Law Enforcement Academy in Bangkok, Thailand.

RECOMMENDATION

The Committee recommends $228,467,000 for FLETC, $472,000 below the amount requested and $10,490,000 below the amount provided in fiscal year 2012. The Committee denies the funds requested for a pay raise. Within the funds provided is $29,163,000 for Management and Administration and $1,300,000 for the Federal Law Enforcement Training Accreditation Board.

FLETC was created with the intention of providing high-quality, standard-based training in an efficient and cost-effective manner. The Committee continues to support this concept, particularly during times of fiscal constraint.

RETIRED ANNUITANTS

The budget request proposed to extend, until 2015, a bill proviso related to retired annuitants, yet does not explain why this extension is needed, since Public Law 112–74 provided a two-year extension already. Therefore, the Committee does not support this request. If FLETC believes that the additional time period is necessary, the Committee encourages FLETC to provide clear rationale.

SUPPORT OF THE DHS CHIEF HUMAN CAPITAL OFFICE

In fiscal year 2012, the Committee supported a proposal made by the Department's Chief Human Capital Officer (CHCO) to co-locate CHCO support of DHS headquarters with FLETC human resource staff at Glynco. The co-location was intended to reduce costs and improve service level and efficiency, while ensuring that appropriated funds for FLETC activities were not augmented and were not augmenting CHCO funds. The Committee directs FLETC and CHCO to brief the Committee on savings and operational effectiveness of this move no later than 120 days after the date of enactment of this Act.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriation, fiscal year 2012	$32,456,000
Budget estimate, fiscal year 2013	29,385,000
Recommended in the bill	27,385,000
Bill compared with:	
Appropriation, fiscal year 2012	−5,071,000
Budget estimate, fiscal year 2013	−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 $27,385,000 for Acquisition, Construction, Improvements, and Related Expenses, $2,000,000 below the amount requested and $5,071,000 below the level provided in fiscal year 2012. 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. These fees are not within the jurisdiction of the Committee on Appropriations and the Committee has adjusted its fiscal year 2013 recommendation for this account accordingly.

SCIENCE AND TECHNOLOGY

MANAGEMENT AND ADMINISTRATION

Appropriation, fiscal year 2012	$135,000,000
Budget estimate, fiscal year 2013	138,008,000
Recommended in the bill	130,000,000
Bill compared with:	
Appropriation, fiscal year 2012	−5,000,000
Budget estimate, fiscal year 2013	−8,008,000

MISSION

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

RECOMMENDATION

The Committee recommends $130,000,000 for S&T Management and Administration, $8,008,000 below the amount requested, and $5,000,000 below the amount provided in fiscal year 2012. Within this total, the Committee recommends $10,000 for reception and representation costs. An $8,008,000 decrease below the request is recommended due to the shortfall created by the President's budget request, which assumes an unauthorized increase in aviation security fees as well as additional budget costs not documented through a budget amendment. In addition, the recommendation does not include funding for a fiscal year 2013 pay raise.

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

Appropriation, fiscal year 2012	$533,000,000
Budget estimate, fiscal year 2013	693,464,000
Recommended in the bill	695,971,000
Bill compared with:	
Appropriation, fiscal year 2012	+162,971,000
Budget estimate, fiscal year 2013	+2,507,000

MISSION

The mission of the Science and Technology Directorate is to develop and deploy technologies and capabilities to secure the U.S. Homeland. The 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 $695,971,000 for Research, Development, Acquisition and Operations (RDA&O), $2,507,000 above the amount requested and $162,971,000 above the amount provided in fiscal year 2012.

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

	Budget Estimate	Recommended
Research, Development and Innovation	$478,048,000	$405,555,000
RD&I: Apex	[15,000,000]	– – –
RD&I: Border Security	[31,651,883]	– – –
RD&I: Chem/Bio/Radiological/Nuclear/Explosives Defense	[197,688,117]	– – –
RD&I: Disaster Resilience	[143,738,000]	– – –
RD&I: Cyber Security	[64,477,000]	– – –
RD&I: Counter Terrorist	[25,493,000]	– – –
Acquisition and Operations Support	47,984,000	47,984,000
Laboratory Facilities	127,432,000	202,432,000
University Programs	40,000,000	40,000,000
TOTAL, RDA&O	$693,464,000	$695,971,000

RESEARCH, DEVELOPMENT, AND INNOVATION

In fiscal year 2012, the President's Budget requested, and the conferees approved, a proposal to combine individual research accounts into a single Research, Development, and Innovation (RD&I) PPA. Because RD&I was funded at a level well below the previous fiscal year and the request, the conferees approved the single PPA, rather than constrain the Directorate from finding an optimal mix of projects, and dividing it into small PPA categories, which would have been administratively burdensome to reprogram. This enabled S&T to prioritize its research, focusing on projects with the highest potential to advance homeland security missions.

To facilitate the Committees' oversight responsibilities in the current fiscal year, S&T was directed to provide a detailed breakout to the Committee of subsequent funding levels for each of its research thrust areas within the RD&I PPA.

For fiscal year 2013, the Committee recommends $405,555,000 for RD&I. This is $72,493,000 below the request and $139,772,000 above fiscal year 2012. The Committee cannot recommend the full request—in part due to shortfalls created by unauthorized aviation security fees and undocumented budget costs, as noted above. However, this level of funding is nearly 40 percent above the fiscal year

2012 level and will permit S&T to return to a higher level of effort on its most critical research efforts, which include biological defense, cyber security, border security, and first responder technology. Indeed, this level would allow S&T to fully fund all projects that were at a reduced level in fiscal year 2012, restart half of its requested projects currently on "hold," and consider new R&D projects that offer the potential of novel and more cost effective solutions to DHS challenges.

Accordingly, at this substantially increased level of funding, the Committee enhances oversight of S&T's RD&I projects by requiring its research "thrust" areas to be broken out into corresponding PPAs that sum to $405,555,000, using the categories displayed in the table above. The Committee understands that the funding levels for RD&I listed under the "Budget Estimate" in the same table are S&T's spending priorities, if the President's full request were to be appropriated. However, as the full request has not been approved or recommended, the Committee directs S&T to re-estimate how it would distribute funding across these PPAs and to submit its funding plan no later than 15 days after the date of enactment of this Act. The Committee intends that the revised allocations, by thrust area, will serve as PPAs and control levels for fiscal year 2013 for purposes of reprogramming notification and approval, governed by the requirements of section 503 in the bill. This funding plan shall also include project-level detail on how S&T intends to fund individual research initiatives within each "thrust" area PPA.

PORTFOLIO REVIEWS

The Committee recognizes the Directorate is establishing a more visible and accountable project selection process, to include annual portfolio reviews. These reviews have helped S&T identify underperforming projects, necessary under a constrained budget, and the Committee continues to support them as an effective way to help DHS determine how best to invest finite research dollars. The Committee directs S&T to provide a briefing on results of any portfolio reviews no later than 30 days after the results have been compiled. The briefing shall include an assessment of the most promising projects, an appraisal of those that scored poorly, and any plans to modify or reallocate funding from underperforming initiatives. This briefing should also include a detailed overview of how S&T measures and scrutinizes the cost and schedule of its research projects.

CUSTOMER ENGAGEMENT

Over the years, S&T has changed its process for engaging DHS customers to determine the top science and technology requirements of the Department's components. This information is critical to the Directorate's mission, as S&T must develop the technologies that our frontline operators need most to secure the Homeland. If S&T's top priorities are not driven by its customers, then the Directorate has manifestly failed in its mission; as a result, the Committee intends to monitor S&T's process for customer engagement. Accordingly, the Committee directs S&T to provide a report no later than 60 days after the date of enactment detailing its process for determining each customer's S&T needs, prioritizing those needs, and assessing customer satisfaction with S&T's work. This

should also include a description of the extent to which S&T customers are involved in the Directorate's portfolio reviews.

APEX PROJECTS

The Committee applauds S&T's continued focus on "Apex" projects, which aim to deliver quickly solutions to address critical needs of select DHS customers, and recommends funding this activity at the requested level of $15,000,000. These projects have greater visibility in the Directorate and are more likely than longer-range research projects to demonstrate a measurable return on the taxpayer's dollar. Given the importance of Apex projects, the Committee will continue to exercise special oversight of them and directs S&T to: (1) brief the Committee no later than 14 days before signing any agreement to initiate a new Apex project to include, but not be limited to, information on the goals and full cost 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 $202,432,000 for laboratory facilities, $75,000,000 above the amount requested. This includes $75,000,000 to fund construction efforts at the National Bio- and Agro-defense Facility (NBAF) in Manhattan, Kansas. The Committee expects the Department to use $40,000,000 appropriated in fiscal year 2011 to construct the Central Utility Plant, contingent upon the National Academy of Sciences' approval of the revised site-specific risk assessment.

The Committee believes that the additional funding for fiscal year 2013, combined with the $50,000,000 appropriated in fiscal year 2012, will enable S&T to initiate meaningful segments of the NBAF project. The Committee directs S&T to submit a detailed update of its fiscal year 2013 NBAF construction plan and schedule, to include an updated plan for the expenditure of funds, no later than 30 days after the date of enactment of this Act; of the funds provided to S&T for RDA&O, $20,000,000 is withheld from obligation until the aforementioned plan is received by the Committee.

However, the Committee understands that, in the interim, the Nation will continue to rely on Plum Island Animal Disease Center in New York to provide research on biological threats that may impact America's food and livestock industries. The Committee directs S&T to provide a report no later than 30 days after the date of enactment of this Act detailing projected costs for any necessary upgrades to Plum Island facilities to keep the Center minimally sustainable until the NBAF begins to operate at full capacity.

The Committee underscores the importance of making progress in protecting the Nation's food supply and agricultural economy. The potential impact of an intentional or even natural disease outbreak on the Nation's agricultural industry and food supply could be enormous and sudden. One recent example of this was the decision by some foreign food retailers to cut off sales of U.S. beef following the news that a U.S. Department of Agriculture inspection had discovered a cow infected with bovine spongiform encephalopathy, otherwise known as "mad cow disease," for the first time since 2006.

UNIVERSITY PROGRAMS AND CENTERS OF EXCELLENCE

The Centers of Excellence (COE) at U.S. colleges and universities provide critical homeland security-related research and education to address high-priority domestic security-related issues and to enhance homeland security capabilities over the long term. COEs focus on building homeland security expertise in the academic community, creating strategic partnerships among universities and public agencies, and developing a new scientific workforce of homeland security experts.

The Committee believes that it would help maximize the Centers' return on investment, and be consistent with previous suggestions by the Administration, if the competitive awards made to the Centers each year were based on performance reviews, conducted as part of the University Programs' internal review process. The Committee requests S&T provide a briefing no later than 90 days after the date of enactment of this Act on how such performance criteria is used in the annual allocation process for COE selection and awards.

In addition, the Committee recognizes the need to address current gaps in forensic science application and to increase the pipeline of forensics-trained workers to improve homeland security operations related to chemical, biological, radiological, nuclear, and explosives threats. The Committee is aware that the Domestic Nuclear Detection Office (DNDO) performs this function for nuclear and radiological threats through its National Nuclear Forensics Expertise Development Program, which provides an academic pathway from undergraduate to post-doctorate study in nuclear and geochemical science specialties directly relevant to technical nuclear forensics. S&T is encouraged to use funding under this heading to complement DNDO efforts and help expand the use and training in other areas of forensic science.

The Committee is aware of other approaches to research and development through the national academic and research communities, including the broad-based approach initiated by the National Science Foundation, its Experimental Program to Stimulate Competitive Research (EPSCoR), which has been emulated by other Federal departments and agencies. The Committee directs S&T to evaluate, in consulation with the NSF, how an EPSCoR program could benefit DHS and the homeland security mission and advise the Committee how such a program could be established at DHS.

CYBER SECURITY RESEARCH AND DEVELOPMENT

The Committee directs that not less than $10,000,000 of the funds provided for cyber security research and development be allocated, on a competitive basis, to research and development projects that leverage the expertise of existing governmental organizations to improve the intrusion detection, cyber forensic, and software assurance capabilities of DHS.

FIRST RESPONDER COMMUNICATIONS EQUIPMENT STANDARDS

When applicable, Federal funding for first responder communications equipment should support acquisition of technology that meets common system standards (Project 25 standards) for digital

public safety radio communications, in order to ensure interoperability of such systems. S&T should continue to collaborate with the Director of the National Institute of Standards and Technology in assessing compliance of first responder communication equipment with Project 25 standards.

COLLABORATION WITH THE DEFENSE DEPARTMENT

The Committee directs the Under Secretary for S&T to collaborate with the Assistant Secretary of Defense for Research and Engineering to identify equipment and technology used by the Department of Defense that could be used by TSA for passenger screening to detect explosive material at security checkpoints.

GLOBAL POSITIONING SYSTEM SECURITY

Accurate, available and safe global positioning system (GPS)-derived information has become an essential part of the national communications and technology infrastructure upon which a wide range of services depend, including law enforcement and first responder communications, border security, and power grid synchronization. The Committee is concerned about the threat that interference, jamming or spoofing of GPS could have upon these services, and understands that DHS is looking at approaches to detect, locate and analyze the nature of interruptions in access to accurate GPS information. The Committee urges DHS and S&T to look to ways to establish such a capacity on a nationwide basis in the near term, to include the development of pilot projects.

DISASTER COMMUNICATIONS

The Committee is concerned with the availability and sustained operability of communications during emergencies, natural disasters or times of crisis. The Committee encourages the Department of Homeland Security, the Federal Communications Commission (FCC) and the National Institute of Standards and Technology (NIST) to explore existing methods and technologies to sustain communications during disasters, including the potential benefits of using broadcast radio chips in mobile devices, and report back to the Committee on their findings within six months of the date of enactment of this Act.

EXPLOSIVE DETECTION CANINES

The Committee recognizes the critical importance of explosive detection canines to homeland security, and strongly supports S&T ongoing collaborative research to increase the capabilities and quality of detection canines available to the government. The Committee also encourages the Department to strongly consider the development of standards, protocols and certifications for the breeding, training, and deployment of explosive-detection canines.

DOMESTIC NUCLEAR DETECTION OFFICE

MANAGEMENT AND ADMINISTRATION

Appropriation, fiscal year 2012	$38,000,000
Budget estimate, fiscal year 2013	39,692,000
Recommended in the bill	38,000,000
Bill compared with:	
Appropriation, fiscal year 2012	– – –
Budget estimate, fiscal year 2013	– 1,692,000

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 $38,000,000 for Management and Administration, $1,692,000 below the amount requested due to the need to offset shortfalls created by the budget request's reliance on unauthorized fees, and the Department's lack of responsiveness to Congressional requirements.

STRATEGIC INVESTMENT PLAN

In the fiscal year 2012 Statement of Managers, the conferees directed the Secretary of Homeland Security to submit a strategic plan of investments necessary to implement the Department's responsibilities under the domestic component of the Global Nuclear Detection Architecture. The bill includes language to continue this requirement in fiscal year 2013, due at the time the President's budget request is submitted for fiscal year 2014. The Committee intends for this to be an annual report. The Committee further directs that DNDO include in this report metrics and goals for situational awareness of other programs, as stipulated in the Research, Development, and Operations section of this report.

RESEARCH, DEVELOPMENT, AND OPERATIONS

Appropriation, fiscal year 2012	$215,000,000
Budget estimate, fiscal year 2013	236,830,000
Recommended in the bill	226,830,000
Bill compared with:	
Appropriation, fiscal year 2012	+11,830,000
Budget estimate, fiscal year 2013	– 10,000,000

MISSION

The Research, Development, and Operations (RD&O) appropriation funds all DHS nuclear detection research, development, test, evaluation, and operational support activities. DNDO is responsible for overseeing the Global Nuclear Detection Architecture (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 $226,830,000 for RD&O, $10,000,000 below the amount requested, and $11,830,000 above the amount provided in fiscal year 2012. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

	Budget Estimate	Recommended
Systems Engineering and Architecture	$30,091,000	$30,000,000
Systems Development	28,401,000	28,000,000
Transformational Research and Development	83,897,000	74,766,000
Assessments	33,198,000	33,000,000
Operations Support	35,679,000	35,500,000
National Technical Nuclear Forensics Center	25,564,000	25,564,000
Total, RD&O	$236,830,000	$226,830,000

SYSTEMS ENGINEERING AND ARCHITECTURE

DNDO continuously monitors and assesses the GNDA to identify gaps in the Architecture that pose the greatest risk of being exploited for the illicit transport of radiological and nuclear threats. The Office then must use its resources, or work with partners in the interagency and intergovernmental community, to mitigate gaps by adjusting operations and making informed investments in new technology that help reduce the risk and support a system-wide approach to nuclear and radiological detection.

This process requires a thorough understanding and continuous awareness of the GNDA, its components, and its operations—supported by comprehensive and rigorous risk models. Systems Engineering and Architecture focuses on identifying and validating the GNDA as a necessary prerequisite for a unified approach to this mission. The Committee directs DNDO to provide semi-annual briefings, beginning 90 days after the date of enactment of this Act, on its core programs and initiatives by means of a pathway-by-pathway assessment for radiological and nuclear threats, beginning with areas of greatest risk. These updates should focus on those vulnerabilities DNDO seeks to address through research, development, acquisitions, partnerships, and other efforts, as well as long-term projections for closing GNDA gaps.

SYSTEMS DEVELOPMENT

The Committee recommends $28,000,000 for Systems Development, $401,000 below the amount requested, and $23,000,000 below the amount provided in fiscal year 2012. This is a nearly 50 percent reduction over fiscal year 2012, which the President's budget requests in order to shift DNDO to a "Commercial First" approach. The Committee encourages DNDO and DHS to take advantage of experience and capacity of private industry to help develop new technologies and systems, and expects to see DNDO leverage private sector solutions wherever appropriate. The Systems Development activity of DNDO provides rigorous testing and feedback on commercial-off-the-shelf or other relatively mature systems and technology that can be used to mitigate GNDA vulnerabilities, as an alternative to relying on long-term, large scale technology development efforts. The Committee directs DNDO to provide, at the

time it submits its fiscal year 2014 budget request, a formal review of its Commercial First approach, including any resulting successful partnerships with industry.

TRANSFORMATIONAL AND APPLIED RESEARCH PROGRAM

The Committee recommends $74,766,000 for Transformational and Applied Research, $9,131,000 below the amount requested, and $34,766,000 above the amount provided in fiscal year 2012. The reduction to the request is due to the need to offset shortfalls created by the budget request's reliance on unauthorized fees and the Department's lack of responsiveness to Congressional requirements. However, the considerable increase over fiscal year 2012 will allow DNDO to bolster its R&D in areas not being pursued by larger partner agencies, such as the Departments of Defense and Energy, or in the private sector. Such challenges include detection of shielded nuclear material; fielding affordable detection equipment that can be widely and easily deployed; enhancing the ability to conduct wide-area and standoff searches for material; and other essential monitoring of GNDA pathways. These efforts are undertaken through the exploratory research program, with proof-of-concept demonstrations; the Academic Research Initiative; Advanced Technology Demonstrations; and Small Business Innovative Research. The Committee directs DNDO to provide a briefing on the status of major initiatives no later than 90 days after the date of enactment of this Act, and semiannually thereafter.

ASSESSMENTS

The Committee recommends $33,000,000 for Assessments, $198,000 below the amount requested, and $5,000,000 below the amount provided in fiscal year 2012. The Committee directs DNDO to continue to provide semiannual updates on its red teaming efforts.

OPERATIONS SUPPORT

The Committee recommends $35,500,000 for Operations Support, $179,000 below the amount requested, and $2,500,000 above the amount provided in fiscal year 2012. Within the amount provided, $3,111,000 is provided for program increases associated with DNDO's Information Sharing Program (ISP), Mission Critical Messaging Program (MCM), and Maritime Capability Development Program (MCD). The ISP and MCM programs will provide DNDO with situational awareness of detection systems within the GNDA. By enhancing the systems within the Joint Analysis Center, this will permit DNDO to more quickly adjudicate nuclear alarms nationwide and, in emergencies or high threat situations, more efficiently and effectively coordinate deployment of "surge" assets.

The Committee directs DNDO to report no later than 60 days after the date of enactment of this Act on the specific metrics by which to measure how ISP and MCM programs are improving DNDO's situational awareness of the GNDA, and include a five year plan, and associated funding needed to reach those goals. DNDO is further directed to include these goals and metrics in the annual strategic investment plan required for the GNDA to allow the Committee to better measure the progress for those efforts.

NATIONAL TECHNICAL NUCLEAR FORENSICS

The Committee recommends $25,564,000 for the National Technical Nuclear Forensics Center (NTNFC), the same as the amount requested, and $2,564,000 above the amount provided in fiscal year 2012. The Committee strongly supports capacity-building efforts for nuclear forensics.

SYSTEMS ACQUISITION

Appropriation, fiscal year 2012	$37,000,000
Budget estimate, fiscal year 2013	51,455,000
Recommended in the bill	51,455,000
Bill compared with:	
Appropriation, fiscal year 2012	+14,455,000
Budget estimate, fiscal year 2013	– – –

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, both in support of fielded systems and prior to acquisition, and includes funding for the development of 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 $51,455,000 for Systems Acquisition, as requested, and $14,455,000 above the amount provided in fiscal year 2012. A comparison of the budget estimate to the Committee recommended level by PPA is as follows:

	Budget estimate	Recommended
Radiation Portal Monitor Program	$1,355,000	$1,355,000
Securing the Cities	22,000,000	22,000,000
Human Portable Radiation Detection Systems	28,100,000	28,100,000
Total, Systems Acquisitions	$51,455,000	$51,455,000

RADIATION PORTAL MONITOR PROGRAM

The Committee recommends $1,355,000 for the Radiation Portal Monitor (RPM) Program, as requested, and $5,645,000 below the amount provided in fiscal year 2012. While the RPM program was historically focused on improving fixed radiological and nuclear detection capabilities at sea and land ports of entry, hundreds of millions of dollars have already been invested in this layer of the GNDA. To address a different GNDA gap, funding in fiscal year 2013 is included for the Domestic Airport Deployment Project, as requested, to reduce risk in international aviation, through monitoring arrivals of international air cargo. The Committee expects DNDO to continue to make risk-based decisions such as these in a constrained budget environment and to keep the Committee in-

formed of developments in deploying and improving radiation monitoring capabilities.

SECURING THE CITIES

The Committee recommends $22,000,000 for the Securing the Cities (STC) Program, as requested, to fund efforts in New York City and a second urban location. In fiscal year 2012, the conferees directed DNDO to provide a comprehensive STC report before committing funds to a new location, which required that DNDO establish "performance measures that will be used to evaluate STC sites." In this regard, the Committee also expects DNDO to develop and apply clear program standards, consistent with optimizing the taxpayer investment in this program, for the initiation, development, and completion of the investments in technology, systems, training, and governance for participating cities. This should also include an explicit schedule for the transition from the end of the development stage to the point where a city can sustain the effort using State, local, or Federal grant funding. The Committee, therefore, directs DNDO to provide performance updates based on preestablished measures for each STC location during semi-annual briefings and to include the STC program in its annual strategic investment plan.

HUMAN PORTABLE RADIATION DETECTION SYSTEMS

The Committee includes $28,100,000 for Human Portable Radiation Detection Systems (HPRDS), as requested, and $20,100,000 above the amount provided in fiscal year 2012. These funds will support the acquisition of next-generation handheld detectors for DHS frontline operators, as well as radiological and nuclear detection capabilities for scanning small maritime vessels. The Committee supports this acquisition as a cost effective, scalable approach to filling a GNDA pathway—rather than costly, fixed systems—and directs DNDO to provide periodic updates on efforts to better leverage certain HPRDS investments with new technology to virtually connect individual detectors in order to create more powerful "mesh" networks.

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 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 com-

plied with by all agencies funded by the Department of Homeland Security Appropriations Act, 2013.

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.

Deobligated funds 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 2013 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 2013 from appropriations made for salaries and expenses shall remain available through fiscal year 2014 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 2013 until the enactment of an Act authorizing intelligence activities for fiscal year 2013.

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, 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. This provision is modified from previous fiscal years to also include all sole source grant awards. 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, as modified; 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 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 requiring the Chief Financial Officer to submit monthly budget execution and staffing reports within 45 days after the close of each month.

Section 515. The Committee continues a provision that directs that any funds appropriated or transferred to TSA "Aviation Security", "Administration", and "Transportation Security Support" in fiscal years 2004 and 2005, 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.

Section 516. 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 517. The Committee continues a provision relating to undercover investigative operations authority of the United States Secret Service for fiscal year 2013.

Section 518. The Committee continues a provision classifying the functions of the instructor staff at the Federal Law Enforcement

Training Center as inherently governmental for purposes of the Federal Activities Inventory Reform Act.

Section 519. 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 520. The Committee continues a provision that prohibits funding for any position designated as a Principal Federal Official during a Stafford Act declared disaster or emergency.

Section 521. 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 522. 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 523. The Committee continues and modifies a provision relating to other transactional authority of the DHS through fiscal year 2013.

Section 524. The Committee continues a provision that requires the Secretary to link all contracts that provide award fees to successful acquisition outcomes.

Section 525. 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 526. The Committee continues a provision related to prescription drugs.

Section 527. The Committee continues a provision requiring the Secretary of Homeland Security, 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 the Department of Homeland Security. No funds may be obligated until the Subcommittees approve the proposed transfers.

Section 528. The Committee continues a provision prohibiting funds for planning, testing, piloting or developing a national identification card.

Section 529. The Committee continues a provision requiring the Administrator of TSA to certify that no security risks will result if an airport does not participate in the E-Verify program.

Section 530. 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 531. 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 532. The Committee continues and modifies a provision that extends the date of the chemical facilities security program.

Section 533. The Committee continues a provision prohibiting the use of funds for the transfer or release of individuals detained at United States Naval Station, Guantanamo Bay, Cuba.

Section 534. The Committee continues a provision prohibiting funds in this Act to be used for first-class travel.

Section 535. 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 536. 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 537. The Committee continues 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 30 days after the date of enactment of this Act.

Section 538. 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 539. The Committee continues and modifies a provision that requires the Administrator of TSA to report on how the agency will meet the requirement to screen 100 percent of air cargo transportation on passenger aircraft arriving in the United States.

Section 540. The Committee continues a 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 541. The Committee continues and modifies a provision that makes deposits into the Immigration Examinations Fee Account available to U.S. Citizenship and Immigration Services for the purposes of immigrant integration grants, not to exceed $9,200,000, in fiscal year 2013.

Section 542. The Committee continues a provision prohibiting funds appropriated or otherwise made available by this Act from being used to enter into Federal contracts unless in accordance with the Federal Property and Administrative Services Act or the Federal Acquisition Regulation, unless otherwise authorized by statute.

Section 543. The Committee continues a provision regarding disposal of Service Processing Centers or other ICE-owned detention facilities.

Section 544. The Committee continues a provision prohibiting funds made available under this Act or any prior appropriations Act from being provided to the Association of Community Organizations for Reform Now (ACORN).

Section 545. The Committee includes a new provision regarding multi-year investment and management plans for the DHS CIO, CBP, and ICE.

Section 546. The Committee continues a provision requiring the Secretary to enforce existing immigration laws.

Section 547. The Committee includes a new provision requiring the Secretary to ensure that the fees collected as described in the United States—Columbia Free Trade Promotion Agreement Act of 2011 be available to CBP in fiscal year 2014 and subsequent fiscal years and that the fiscal year 2014 budget request include any necessary offsets.

Section 548. The Committee includes a new provision extending the authorization of E-Verify through the end of fiscal year 2013.

Section 549. The Committee includes a new provision restricting travel aboard Coast Guard owned or operated fixed-wing aircraft after the date of submission of the President's budget request for fiscal year 2014 if the Secretary has not provided the Committee with the required Comprehensive Acquisition Strategy Report and the Commandant has not provided the required Capital Investment Plan; provided certain exceptions may be made for national emergencies.

Section 550. The Committee includes a new provision reforming Coast Guard acquisition processes and definitions, and directing the Coast Guard to follow specific guidelines when submitting costs related to the construction or conversion of a cutter.

Section 551. The Committee includes a new provision regarding debris removal.

Section 552. The Committee includes a new provision regarding Federal network security.

Section 553. The Committee includes a new provision regarding restrictions on electronic access to pornography, except for law enforcement purposes.

Section 554. The Committee includes a new provision regarding the transfer of firearms by Federal law enforcement personnel.

Section 555. The Committee includes a new provision directing OMB to instruct any department, agency, or instrument of the Government receiving funds appropriated in this Act, to track undisbursed balances in expired grant accounts and include in its annual performance plan, and performance and accountability reports, additional details, as outlined.

Section 556. The Committee includes a new provision regarding funding restrictions and reporting requirements regarding conferences occurring outside of the United States.

Section 557. The Committee includes a new provision regarding funding restrictions and reporting requirements regarding conferences, ceremonies, commissionings, and de-commissionings costing more than $20,000.

Section 558. The Committee includes a new provision restricting funds from corporate felons.

Section 559. The Committee includes a new provision restricting funds from any corporation with unpaid Federal tax liabilities.

Section 560. The Committee includes a new provision rescinding unobligated balances from FEMA's Predisaster Mitigation program.

Section 561. The Committee includes a new provision rescinding unobligated balances from Coast Guard—Acquisition, Construction,

and Improvements, and CBP—Border Security Fencing, Infrastructure, and Technology.

Section 562. The Committee includes a new provision permanently rescinding $60,000,000 from the Department of the Treasury Forfeiture Fund.

Section 563. The Committee includes a new provision rescinding unobligated balances made available to the Department when it was created in 2003.

Section 564. The Committee includes a new provision that prohibits new budget authority from exceeding budget allocation in Fiscal Year 2013.

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 Rules 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:

ROLLCALL NO. 1

Date: May 16, 2012

Measure: Homeland Security Appropriations Bill, FY 2013

Motion by: Mr. Aderholt

Description of Motion: An amendment that (1) prohibits federal funding for Immigration and Customs Enforcement (ICE) to provide for abortions, except in where the life of the mother would be endangered, or in the case of rape or incest; (2) prohibits federal funding to be used to require a person to perform or facilitate the performance of an abortion; and (3) permits ICE to provide escort services for a female detainee to receive abortion services outside the detention facility, with an exception for philosophical beliefs.

Results: Adopted 28 yeas to 21 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. Hinchey
Mr. Cole	Mr. Honda

Mr. Crenshaw
Mr. Culberson
Mr. Dent
Mr. Diaz-Balart
Mrs. Emerson
Mr. Flake
Mr. Frelinghuysen
Ms. Granger
Mr. Graves
Mr. Kingston
Mr. Latham
Mr. LaTourette
Mr. Lewis
Mrs. Lummis
Mr. Nunnelee
Mr. Rehberg
Mr. Rogers
Mr. Simpson
Mr. Womack
Mr. Yoder
Mr. Young
Mr. Jackson
Ms. Kaptur
Ms. Lee
Mrs. Lowey
Ms. McCollum
Mr. Moran
Mr. Olver
Mr. Pastor
Mr. Price
Mr. Rothman
Ms. Roybal-Allard
Mr. Schiff
Mr. Serrano
Mr. Visclosky

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*
Coast Guard, AC&I—Reduction for PDA for NSC #4 (FY10)	$37,500,000
Coast Guard, AC&I—Patrol Boats (FY10)	5,000,000
Coast Guard, AC&I—Reduction for PDA for NSC #5 (FY11)	54,100,000
Coast Guard, AC&I—Offshore Patrol Cutter (FY11)	27,000,000
CBP, BSFIT	40,412,000
Coast Guard, AC&I—System Engineering and Integration (FY11)	10,000,000
Coast Guard, AC&I—Offshore Patrol Cutter (FY12)	23,000,000
Coast Guard, AC&I—H–60 (FY12)	5,000,000
Coast Guard, AC&I—H–65 (FY12)	10,000,000
Coast Guard, AC&I—System Engineering and Integration (FY12)	10,000,000
FEMA, Predisaster Mitigation	6,000,000
Office of Domestic Preparedness	1,316,000
National Predisaster Mitigation Fund	2,831,000

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	$24,000,000	FEMA—Disaster Relief Fund	$24,000,000
FEMA—Salaries and Expenses	123,696,000	FEMA—State and Local Programs	123,696,000
FEMA—Salaries and Expenses	31,195,000	FEMA—Firefighter Assistance Grants	31,195,000
FEMA—Salaries and Expenses	9,239,000	FEMA—EMPG	9,239,000

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 and existing law in which no change is proposed is shown in roman):

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2007

(Public Law 109–295)

AN ACT Making appropriations for the Department of Homeland Security for the fiscalyear ending September 30, 2007, and for other purposes.

* * * * * * *

TITLE V—GENERAL PROVISIONS

SEC. 532. (a) UNITED STATES SECRET SERVICE USE OF PROCEEDS DERIVED FROM CRIMINAL INVESTIGATIONS.—During fiscal year [2012] *2013*, 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) * * *

* * * * * * *

HOMELAND SECURITY ACT OF 2002

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TITLE VIII—COORDINATION WITH NON-FEDERAL ENTITIES; INSPECTOR GENERAL; UNITED STATES SECRET SERVICE; COAST GUARD; GENERAL PROVISIONS

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Subtitle D—Acquisitions

SEC. 831. RESEARCH AND DEVELOPMENT PROJECTS.

(a) AUTHORITY.—Until [September 30, 2012,] *September 30, 2013,* and subject to subsection (d), the Secretary may carry out a pilot program under which the Secretary may exercise the following authorities:

(1) * * *

* * * * * * *

(c) ADDITIONAL REQUIREMENTS.—

(1) IN GENERAL.—The authority of the Secretary under this section shall terminate [September 30, 2012,] *September 30, 2013,* unless before that date the Secretary—

(A) * * *

* * * * * * *

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2007

* * * * * * *

TITLE V—GENERAL PROVISIONS

* * * * * * *

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, 2012] *on October 4, 2013*.

* * * * * * *

SECTION 401 OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996

SEC. 401. ESTABLISHMENT OF PROGRAMS.

(a) * * *

(b) IMPLEMENTATION DEADLINE; TERMINATION.—The Secretary of Homeland Security shall implement the pilot programs in a manner that permits persons and other entities to have elections under section 402 of this division made and in effect no later than 1 year after the date of the enactment of this Act. Unless the Congress otherwise provides, the Secretary of Homeland Security shall terminate a pilot program on September 30, [2012] *2013*.

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CHAPTER 449 OF TITLE 49, UNITED STATES CODE

CHAPTER 449—SECURITY

SUBCHAPTER I—REQUIREMENTS

Sec.
44901. Screening passengers and property.

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SUBCHAPTER II—ADMINISTRATION AND PERSONNEL

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[44945. Disposition of unclaimed money.]

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SUBCHAPTER II—ADMINISTRATION AND PERSONNEL

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[§ 44945. Disposition of unclaimed money

[Notwithstanding section 3302 of title 31, unclaimed money recovered at any airport security checkpoint shall be retained by the Transportation Security Administration and shall remain available until expended for the purpose of providing civil aviation security as required in this chapter.]

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. The Committee also limits the funds available until certain actions have been taken.

OFFICE OF THE CHIEF FINANCIAL OFFICER

The Committee includes language providing funds for the Chief Financial Officer. The Committee also limits the funds available until certain actions have been taken.

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.

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.

AUTOMATION MODERNIZATION

The Committee includes language making funds available for automated systems.

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

The Committee includes language making funds available for border security fencing, infrastructure, and technology.

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 Protec-

tion 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 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 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.

CONSTRUCTION

The Committee includes language making funds available to plan, construct, renovate, equip, and maintain buildings and facilities.

TRANSPORTATION SECURITY ADMINISTRATION

AVIATION SECURITY

The Committee includes language making funds available for civil aviation security; and establishing 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, including additional surface canine teams for the mass transit and maritime domain.

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, and requires an expenditure and staffing plan.

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, equipment and services.

AUTOMATION MODERNIZATION

The Committee includes language providing funds for automation systems.

ACQUISITIONS, CONSTRUCTION, AND IMPROVEMENTS

The Committee includes language providing for funds for the Coast Guard acquisition, construction, renovation, and improve-

ment 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 provisions clarifying contracting for long lead time materials, availability of funds for production and post-production costs, and 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 available 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.

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, AND IMPROVEMENTS

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 and information technology. 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 for cyber security activities and infrastructure protection, of which certain funds are available until September 30, 2014.

FEDERAL PROTECTIVE SERVICE

The Committee includes language making funds available until expended for the operations of the Federal Protective Service.

OFFICE OF BIOMETRIC IDENTITY MANAGEMENT

The Committee includes language making funds available for the Office of Biometric Identity Management. In addition, the Committee requires 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.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

The Committee includes language that provides funds for salaries and expenses. The Committee also includes a provision providing funds for reception and representation expenses, a provision limiting administrative costs for Urban Search and Rescue Teams, and funding for Mount Weather, and 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.

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 allowing for a transfer to FEMA Salaries and Expenses. The Committee includes a provision on training reimbursement for the Center for Domestic Preparedness

FIREFIGHTER ASSISTANCE GRANTS

The Committee includes language that not to exceed 4.7 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 2.7 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.

FLOOD HAZARD MAPPING AND RISK ANALYSIS

The Committee includes language making funds available for flood hazard mapping, including administrative costs.

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, 2014. 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 limiting 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 the E-Verify program, 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; room and board; services authorized by 5 U.S.C. 3109; law enforcement accreditation; reimbursements for certain mobile phone expenses. The Committee includes language authorizing the training of certain law enforcement personnel; authorizes the use of appropriations and reimbursements for such training and establishes a cap on total obligations. The Committee also includes language authorizing funds for the compensation of accreditation costs for participating agencies; 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; and operations.

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, and requires a strategic investment plan for implementation of Department of Homeland Security responsibilities under the domestic component of the global nuclear detection architecture.

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.

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, 2013, 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 2013 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 2013 from appropriations made for salaries and expenses remain available through fiscal year 2014 subject to reprogramming guidelines.

Language providing that funds for intelligence activities are deemed to be specifically authorized during fiscal year 2013 until the enactment of an Act authorizing intelligence activities for fiscal year 2013.

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 $10,000,000 from multi-year funds, is announced by the Department, including contracts covered by the Federal Acquisition Regulation or sole source grant award. 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.

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. The language eliminates statutory reporting requirements for SSI.

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 oath of allegiance required by Section 337 of the Immigration and Nationality Act.

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 and 2005, 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. 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 2013.

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, 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.

Language prohibiting funding for any position designated as a Principal Federal Official during a Stafford Act declared disaster or emergency.

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 relating to the use of transactional authority by DHS through fiscal year 2013.

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 regarding 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 Administrator of TSA to certify that no security risks will result if an airport does not participate in the E-Verify program.

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 30 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 Administrator of TSA to submit quarterly 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.

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 making immigration examination fee collections explicitly available for immigrant integration grants, not to exceed $9,200,000, in fiscal year 2013.

Language prohibiting funds appropriated or otherwise made available by this Act from being used to enter into Federal contracts unless in accordance with the Federal Property and Administrative Services Act or the Federal Acquisition Regulation, unless otherwise authorized by statute.

Language permitting the Secretary to dispose of Service Processing Centers or other ICE-owned detention facilities by directing GSA to sell all real and related property subject to such terms and conditions as necessary to protect Government interests and meet program requirements, provided that the proceeds of the sale shall be deposited as offsetting collections and shall be available and subject to appropriation.

Language prohibiting funds appropriated or otherwise made available by this Act from being provided to the Association of Community Organizations for Reform Now (ACORN).

Language directing the DHS CIO, CBP, and ICE to submit to the Committees at the time of the budget proposal for fiscal year 2014, updated multi-year investment and management plans.

Language requiring the Secretary to enforce existing immigration laws.

Language requiring the Secretary to ensure that the fees collected as described in the United States-Columbia Free Trade Promotion Agreement Act of 2011 be available to CBP in fiscal year 2014 and subsequent fiscal years.

Language extending the authorization of E-Verify through the end of fiscal year 2013.

Language restricting travel aboard Coast Guard owned or operated fixed-wing aircraft after the date of submission of the President's budget request for fiscal year 2014 if the Secretary has not provided the Committee with the required Comprehensive Acquisition Strategy Report and the Commandant has not provided the required Capital Investment Plan; provided certain exceptions may be made for national emergencies.

Language regarding the Coast Guard acquisition processes and definitions, and directing the Coast Guard to follow specific guidelines when submitting costs related to the construction or conversion of a cutter.

Language directing the President, through FEMA, to establish new procedures to administer assistance for debris and wreckage removal provided under certain sections of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Language regarding the allotment and use of funds for DHS—NPPD Infrastructure Protection and Information Security, and requiring quarterly reports from the Undersecretary of NPPD on the

obligation and expenditure of funds made available under this section.

Language prohibiting funds made available in this Act from being used to establish or maintain computer networks unless such networks block pornography.

Language regarding the transfer of firearms by Federal law enforcement personnel.

Language directing OMB to instruct any department, agency, or instrument of the Government receiving funds appropriated in this Act, to track undisbursed balances in expired grant accounts and include in its annual performance plan, and performance and accountability reports, additional details, as outlined.

Language including a new provision regarding funding restrictions and reporting requirements regarding conferences occurring outside of the United States.

Language regarding funding restrictions and reporting requirements for conferences, ceremonies, commissionings, and de-commissionings for which the cost to the Government was more than $20,000.

Language prohibiting funds made available by this act from being used to enter into a contract or agreement with, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation within the last 24 months.

Language prohibiting funds made from being used to enter into a contract or agreement with any corporation that has any unpaid Federal tax liabilities.

Language rescinding unobligated balances from FEMA's Predisaster Mitigation Fund.

Language rescinding unobligated balances from Coast Guard—Acquisition, Construction, and Improvements and CBP—Border Security Fencing, Infrastructure, and Technology.

Language permanently rescinding funds from the Department of Treasury Forfeiture Fund.

Language rescinding unobligated balances made available to the Department when it was created in 2003.

Language prohibiting new budget authority from exceeding the budget allocation in fiscal year 2013.

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:

FY 2013 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	[1] $3,083,259	[2] $4,396,350	$8,366,024
Customs and Border Protection, Automation Modernization	N/A	N/A	N/A	$700,242
Customs and Border Protection, Border Security, Fencing, Infrastructure and Technology, Tactical Communications [3]	N/A	N/A	N/A	$327,099
Customs and Border Protection, Air and Marine Interdiction, Operations, Maintenance, and Procurement	N/A	N/A	N/A	$518,469
Customs and Border Protection, Construction and Facilities Management	N/A	N/A	N/A	$252,567
Immigration and Customs Enforcement, Salaries and Expenses	[4] 2003/[6] 2004	[4] N/A/$1,399,592.43	[5] $3,032,094; [7] N/A	$5,236,331
Immigration and Customs Enforcement, Automation Modernization	[4] 2003	N/A	$380,000	$232,006
Immigration and Customs Enforcement, Construction	[4] 2003	N/A	[4] $258,637	$5,450
Transportation Security Administration, Aviation Security	2011	N/A	$5,219,546	$5,041,230
Transportation Security Administration, Surface Transportation Security	2011	N/A	$105,961	$126,418
Transportation Security Administration, Transportation Threat Assessment and Credentialing	2005	Such sums	$54,919	$192,424
Transportation Security Administration, Transportation Security Support	N/A	N/A	N/A	$928,663
Transportation Security Administration, Federal Air Marshall Service	2011	Such sums	$929,802	$879,600
United States Coast Guard, Operating Expenses	2011	$6,970,681	[10] $6,907,388	$6,759,627
United States Coast Guard, Environmental Compliance and Restoration	2011	$13,329	$13,198	$12,151
United States Coast Guard, Reserve Training	2011	$135,675	$133,632	$115,528
United States Coast Guard, Acquisition Construction, and Improvements	2011	$1,640,000	$1,519,783	$1,428,593
United States Coast Guard, Research Development Test and Evaluation	2011	$28,034	$24,745	$19,690
United States Coast Guard, Retired Pay	2011	$1,400,700	$1,400,700	$1,423,000
United States Secret Service, Salaries and Expenses [8]	2010	N/A	N/A	$1,556,055
United States Secret Service, Acquisition, Construction, Improvements and Related Expenses	N/A	N/A	N/A	$56,750
Office of Health Affairs [9]	N/A	N/A	N/A	$132,003
FEMA Management and Administration: Urban Search and Rescue Response System	2008	$45,000	$32,500	$27,513
FEMA, State and Local Programs: Operation Stonegarden	N/A	N/A	N/A	$55,000,000
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	N/A
Assistance for Firefighters grants (equipment)	2009	$1,000,000	$565,000	$335,000
Assistance for Firefighters grants	2010	$1,194,000	$420,000	$335,000
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 (Flood Hazard Mapping and Risk Analysis)	2011	N/A	$182,000	$89,329
FEMA, National Predisaster Mitigation Fund	2011	$180,000	$50,000	$10,000
FEMA, Emergency Food and Shelter	1994	$187,560	$130,000	$120,000
United States Citizenship and Immigration Services	2002	$631,745	$707,392	$111,924
Federal Law Enforcement Training Center, Salaries & Expenses	N/A	N/A	N/A	$228,467
Federal Law Enforcement Training Center, Acquisition Construction and Improvements Related Expenses	N/A	N/A	N/A	$27,385

[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)).

[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, P.L. 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. 109–295 and the National Biosurveillance Integration Center is authorized in P.L. 110–053, Section 1101.

[10] Includes $254,000,000 appropriated for OCO directly to DHS/CG.

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."

[In millions of dollars]

	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Comparison of amounts in the bill with Committee allocations to its subcommittees: Subcommittee on Homeland Security				
General Purpose Discretionary	44,598	45,194	44,598	[1] 45,194
Mandatory	1,423	1,431	1,423	1,431

[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:	
2013	[2] 26,230
2014	8,988
2015	5,601
2016	2,715
2017 and future years	2,169

[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:

	Millions
Budget Authority	5,449
Outlays	[2] 343

[2] 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.

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
DEPARTMENT OF HOMELAND SECURITY					
TITLE I - DEPARTMENTAL MANAGEMENT AND OPERATIONS					
Departmental Operations					
Office of the Secretary and Executive Management:					
Immediate Office of the Secretary	5,000	4,295	3,850	-1,150	-445
Immediate Office of the Deputy Secretary	1,918	2,387	2,140	+222	-247
Office of the Chief of Staff	2,300	2,498	2,250	-50	-248
Office of Counternarcotics Enforcement	1,800	---	---	-1,800	---
Executive Secretary	8,100	7,993	7,190	-910	-803
Office of Policy	40,000	33,678	41,240	+1,240	+7,562
Office of Public Affairs	5,800	5,966	5,300	-500	-666
Office of Legislative Affairs	6,000	6,041	5,400	-600	-641
Office of Intergovernmental Affairs	2,650	2,648	2,380	-270	-268
Office of General Counsel	22,400	21,947	19,750	-2,650	-2,197
Office for Civil Rights and Civil Liberties	22,500	21,716	19,500	-3,000	-2,216
Citizenship and Immigration Services Ombudsman	6,200	5,950	5,350	-850	-600
Privacy Officer	8,491	8,387	7,500	-991	-887
Office of International Affairs	---	8,001	---	---	-8,001
Office of State and Local Law Enforcement	---	892	---	---	-892
Private Sector Office	---	1,751	---	---	-1,751
Subtotal	133,159	134,150	121,850	-11,309	-12,300

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of the Under Secretary for Management:					
Immediate Office of the Under Secretary for Management	2,550	3,112	3,112	+562	---
Office of the Chief Security Officer	70,000	69,258	69,000	-1,000	-258
Office of the Chief Procurement Officer	78,000	73,176	65,700	-12,300	-7,476
Subtotal	150,550	145,546	137,812	-12,738	-7,734
Office of the Chief Human Capital Officer:					
Salaries and expenses	25,165	25,971	25,867	+702	-104
Human resources information technology	14,172	9,689	9,689	-4,483	---
Subtotal	39,337	35,660	35,556	-3,781	-104
Office of the Chief Administrative Officer:					
Salaries and expenses	40,700	35,117	34,312	-6,388	-805
Nebraska Avenue Complex (NAC)	5,000	5,448	5,448	+448	---
Subtotal	45,700	40,565	39,760	-5,940	-805
Subtotal, Office of the Under Secretary for Management	235,587	221,771	213,128	-22,459	-8,643
DHS Consolidated Headquarters Project	---	89,000	---	---	-89,000

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of the Chief Financial Officer	50,860	55,414	49,743	-1,117	-5,671
Office of the Chief Information Officer:					
Salaries and expenses	105,500	120,670	116,870	+11,370	-3,800
Information technology services	38,800	28,002	27,202	-11,598	-800
Infrastructure and security activities	69,000	121,839	55,339	-13,661	-66,500
Homeland Secure Data Network	44,000	42,132	42,132	-1,868	---
Subtotal	257,300	312,643	241,543	-15,757	-71,100
Analysis and Operations	338,068	321,982	317,400	-20,668	-4,582
Total, Departmental Operations	1,014,974	1,134,960	943,664	-71,310	-191,296
Office of Inspector General:					
Operating expenses	117,000	143,664	109,264	-7,736	-34,400
(by transfer from Disaster Relief)	(24,000)	---	(24,000)	---	(+24,000)
Total, Office of Inspector General	141,000	143,664	133,264	-7,736	-10,400
Total, title I, Departmental Management and Operations	1,131,974	1,278,624	1,052,928	-79,046	-225,696
(by transfer)	(24,000)	---	(24,000)	---	(+24,000)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE II - SECURITY, ENFORCEMENT, AND INVESTIGATIONS					
U.S. Customs and Border Protection					
Salaries and Expenses:					
Headquarters, Management, and Administration:					
Commissioner	---	---	16,442	+16,442	+16,442
Chief Counsel	---	---	39,414	+39,414	+39,414
Congressional Affairs	---	---	2,060	+2,060	+2,060
Internal Affairs	---	---	154,108	+154,108	+154,108
Public Affairs	---	---	12,563	+12,563	+12,563
Training and Development	---	---	78,721	+78,721	+78,721
Tech, Innovation, Acquisition	---	---	25,704	+25,704	+25,704
Intelligence/Investigative Liaison	---	---	69,426	+69,426	+69,426
Administration	---	---	417,963	+417,963	+417,963
Rent	483,749	614,871	614,871	+131,122	---
Management and administration, border security inspections and trade facilitation	667,794	601,414	---	-667,794	-601,414
Management and administration, border security and control between ports of entry	717,309	665,646	---	-717,309	-665,646
Subtotal	1,868,852	1,881,931	1,431,272	-437,580	-450,659

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Border Security Inspections and Trade Facilitation:					
Inspections, trade, and travel facilitation at ports of entry	2,484,235	2,480,674	2,554,326	+70,091	+73,652
Harbor maintenance fee collection (trust fund)	3,274	3,285	3,274	---	-11
International cargo screening	74,557	71,534	71,396	-3,161	-138
Other international programs	10,684	27,084	27,017	+16,333	-67
Customs-Trade Partnership Against Terrorism (C-TPAT)	44,979	40,082	43,979	-1,000	+3,897
Trusted Traveler programs	6,311	6,311	10,311	+4,000	+4,000
Inspection and detection technology investments	148,537	117,575	117,565	-30,972	-10
Automated Targeting Systems	41,400	113,826	113,820	+72,420	-6
National Targeting Center	51,950	65,127	67,956	+16,006	+2,829
Training	37,834	34,860	34,846	-2,988	-14
Subtotal	2,903,761	2,960,358	3,044,490	+140,729	+84,132
Border Security and Control Between Ports of Entry:					
Border security and control	3,530,994	3,551,840	3,531,793	+799	-20,047
Training	88,610	74,110	73,939	-14,671	-171
Subtotal	3,619,604	3,625,950	3,605,732	-13,872	-20,218
Air and Marine Operations	287,901	280,819	284,530	-3,371	+3,711
US-VISIT	---	261,523	---	---	-261,523
Subtotal, Salaries and expenses	8,680,118	9,010,581	8,366,024	-314,094	-644,557
Appropriations	(8,676,844)	(9,007,296)	(8,362,750)	(-314,094)	(-644,546)
Harbor maintenance trust fund	(3,274)	(3,285)	(3,274)	---	(-11)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Automation Modernization:					
Information Technology	---	---	374,716	+374,716	+374,716
Automated Commercial Environment/International Trade Data System (ITDS)	140,000	140,794	138,794	-1,206	-2,000
Current operations protection and processing support (COPPS)	194,275	186,732	186,732	-7,543	---
Subtotal	334,275	327,526	700,242	+365,967	+372,716
Border Security Fencing, Infrastructure, and Technology (BSFIT):					
Development and deployment	212,377	188,816	188,816	-23,561	---
Operations and maintenance	133,248	138,283	138,283	+5,035	---
Program management	54,375	---	---	-54,375	---
Subtotal	400,000	327,099	327,099	-72,901	---
Air and Marine Interdiction, Operations, Maintenance, and Procurement:					
Operations and maintenance	365,087	368,799	400,399	+35,312	+31,600
Procurement	138,879	66,970	118,070	-20,809	+51,100
Subtotal	503,966	435,769	518,469	+14,503	+82,700

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Construction and Facilities Management:					
Facility construction and sustainment	182,500	186,214	195,218	+12,718	+9,004
Program oversight and management	54,096	57,452	57,349	+3,253	-103
Subtotal	236,596	243,666	252,567	+15,971	+8,901
Total, U.S. Customs and Border Protection direct appropriations	10,154,955	10,344,641	10,164,401	+9,446	-180,240
Fee Accounts:					
Immigration inspection user fee	(527,629)	(568,790)	(568,790)	(+41,161)	---
Immigration enforcement fines	(1,041)	(1,093)	(1,093)	(+52)	---
ESTA	(44,524)	(46,318)	(46,318)	(+1,794)	---
Land border inspection fee	(28,909)	(35,935)	(35,935)	(+7,026)	---
COBRA passenger inspection fee	(468,521)	(529,352)	(419,352)	(-49,169)	(-110,000)
APHIS inspection fee	(323,000)	(329,000)	(329,000)	(+6,000)	---
Global Entry user fee	(2,615)	(13,743)	(13,743)	(+11,128)	---
Puerto Rico collections	(91,779)	(96,367)	(96,367)	(+4,588)	---
Small airport user fee	(8,167)	(8,318)	(8,318)	(+151)	---
Subtotal, fee accounts	(1,496,185)	(1,628,916)	(1,518,916)	(+22,731)	(-110,000)
Total, U.S. Customs and Border Protection	11,651,140	11,973,557	11,683,317	+32,177	-290,240
Appropriations	(10,154,955)	(10,344,641)	(10,164,401)	(+9,446)	(-180,240)
Fee accounts	(1,496,185)	(1,628,916)	(1,518,916)	(+22,731)	(-110,000)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
U.S. Immigration and Customs Enforcement					
Salaries and Expenses:					
Headquarters Management and Administration:					
Personnel compensation and benefits, services and other costs	233,251	220,122	226,207	-7,044	+6,085
Headquarters managed IT investment	184,227	157,188	---	-184,227	-157,188
Subtotal	417,478	377,310	226,207	-191,271	-151,103
Legal Proceedings	215,935	207,580	207,041	-8,894	-539
Investigations:					
Domestic investigations	1,725,234	1,672,526	1,686,859	-38,375	+14,333
International Investigations:					
International operations	114,928	110,370	115,122	+194	+4,752
Visa Security Program	33,889	32,616	34,561	+672	+1,945
Subtotal	148,817	142,986	149,683	+866	+6,697
Subtotal, Investigations	1,874,051	1,815,512	1,836,542	-37,509	+21,030
Intelligence	81,503	78,748	78,452	-3,051	-296

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Detention and Removal Operations:					
Custody operations	2,050,545	1,959,363	2,026,343	-24,202	+66,980
Fugitive operations	154,597	132,925	145,325	-9,272	+12,400
Criminal alien program	196,696	216,724	216,510	+19,814	-214
Alternatives to detention	72,373	111,590	91,460	+19,087	-20,130
Transportation and removal program	276,632	258,227	270,202	-6,430	+11,975
Subtotal	2,750,843	2,678,829	2,749,840	-1,003	+71,011
Secure Communities	189,064	138,713	138,249	-50,815	-464
Subtotal, Salaries and expenses	5,528,874	5,296,692	5,236,331	-292,543	-60,361
Automation Modernization:					
Automation modernization	21,710	---	---	-21,710	---
IT investment	---	---	201,506	+201,506	+201,506
TECS modernization	---	23,000	23,000	+23,000	---
Detention and removals modernization	---	4,000	4,000	+4,000	---
Electronic health records	---	3,500	3,500	+3,500	---
Subtotal	21,710	30,500	232,006	+210,296	+201,506
Construction	---	5,000	5,450	+5,450	+450
Total, U.S. Immigration and Customs Enforcement direct appropriations	5,550,584	5,332,192	5,473,787	-76,797	+141,595

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Fee Accounts:					
Immigration inspection user fee	(116,869)	(116,869)	(116,869)	---	---
Breached bond/detention fund	(75,000)	(75,000)	(75,000)	---	---
Student exchange and visitor fee	(120,000)	(120,000)	(120,000)	---	---
Subtotal	311,869	311,869	311,869	---	---
Total, U.S. Immigration and Customs Enforcement	5,862,453	5,644,061	5,785,656	-76,797	+141,595
Appropriations	(5,550,584)	(5,332,192)	(5,473,787)	(-76,797)	(+141,595)
Fee accounts	(311,869)	(311,869)	(311,869)	---	---
Transportation Security Administration					
Aviation Security:					
Screening Operations:					
Screener workforce:					
Privatized screening	144,193	143,190	158,190	+13,997	+15,000
Screener personnel, compensation, and benefits	3,025,771	3,107,649	3,057,128	+31,357	-50,521
Subtotal	3,169,964	3,250,839	3,215,318	+45,354	-35,521
Screener training and other	249,796	225,012	225,012	-24,784	---
Checkpoint support	204,768	120,239	120,239	-84,529	---

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
EDS/ETD Systems:					
EDS procurement and installation	222,738	117,349	100,000	-122,738	-17,349
Screening technology maintenance, utilities	320,365	309,000	309,000	-11,365	---
Subtotal	543,103	426,349	409,000	-134,103	-17,349
Subtotal, Screening operations	4,167,631	4,022,439	3,969,569	-198,062	-52,870
Aviation Security Direction and Enforcement:					
Aviation regulation and other enforcement	369,984	371,989	374,489	+4,505	+2,500
Airport management and support	570,226	569,615	549,615	-20,611	-20,000
FFDO and flight crew training	25,461	12,500	25,461	---	+12,961
Air cargo	120,654	122,096	122,096	+1,442	---
Subtotal	1,086,325	1,076,200	1,071,661	-14,664	-4,539
Aviation Security Capital Fund (mandatory)	(250,000)	(250,000)	(250,000)	---	---
Total, Aviation security (gross)	5,253,956	5,098,639	5,041,230	-212,726	-57,409
Aviation security fees (offsetting collections)	-2,030,000	-2,070,000	-2,070,000	-40,000	---
Additional offsetting collections (leg. proposal)	---	-115,000	---	---	+115,000
Total, Aviation security (net, discretionary)	3,223,956	2,913,639	2,971,230	-252,726	+57,591

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Surface Transportation Security:					
Staffing and operations	38,514	36,711	36,353	-2,161	-358
Surface transportation security inspectors and canines	96,234	87,565	90,065	-6,169	+2,500
Subtotal	134,748	124,276	126,418	-8,330	+2,142
Transportation Threat Assessment and Credentialing:					
Secure Flight	92,414	107,074	106,935	+14,521	-139
Crew and other vetting programs	71,540	85,557	85,489	+13,949	-68
TWIC fees	(8,300)	(47,300)	(47,300)	(+39,000)	---
Hazardous materials fees	(12,000)	(12,000)	(12,000)	---	---
Alien Flight School fees (by transfer from DOJ)	(4,000)	(5,000)	(5,000)	(+1,000)	---
Air Cargo/Certified cargo screening program	(5,200)	(7,200)	(7,200)	(+2,000)	---
Large aircraft security program	(1,200)	---	---	(-1,200)	---
Commercial aviation and airports/Secure identification display area checks	(8,000)	(8,000)	(8,000)	---	---
Other security threat assessments	(100)	(120)	(120)	(+20)	---
General aviation at DCA	(100)	(100)	(100)	---	---
Indirect air cargo	(1,400)	---	---	(-1,400)	---
Sensitive security information (SSI) fees	(20)	---	---	(-20)	---
Subtotal	204,274	272,351	272,144	+67,870	-207
Direct appropriations	(163,954)	(192,631)	(192,424)	(+28,470)	(-207)
Fee funded programs	(40,320)	(79,720)	(79,720)	(+39,400)	---

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Transportation Security Support:					
Headquarters administration	292,334	281,554	270,508	-21,826	-11,046
Information technology	447,200	417,196	397,196	-50,004	-20,000
Human capital services	249,400	225,829	215,829	-33,571	-10,000
Intelligence	42,992	45,130	45,130	+2,138	---
Subtotal	1,031,926	969,709	928,663	-103,263	-41,046
Federal Air Marshals:					
Management and administration	842,500	815,639	776,550	-65,950	-39,089
Travel and training	123,615	113,971	103,050	-20,565	-10,921
Subtotal	966,115	929,610	879,600	-86,515	-50,010
Total, Transportation Security Administration	7,841,019	7,644,585	7,498,055	-342,964	-146,530
Offsetting collections	(-2,030,000)	(-2,185,000)	(-2,070,000)	(-40,000)	(+115,000)
Aviation Security Capital Fund (mandatory)	(250,000)	(250,000)	(250,000)	---	---
Fee funded programs	(40,320)	(79,720)	(79,720)	(+39,400)	---
Total, Transportation Security Administration (net)	5,520,699	5,129,865	5,098,335	-422,364	-31,530
Coast Guard					
Operating Expenses:					
Military pay and allowances	3,413,061	3,415,595	3,425,878	+12,817	+10,283
Civilian pay and benefits	784,256	790,130	786,322	+2,066	-3,808
Training and recruiting	213,321	212,761	213,402	+81	+641

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Operating funds and unit level maintenance	1,109,623	1,092,419	1,063,346	-46,277	-29,073
Centrally managed accounts	336,653	350,178	300,883	-35,770	-49,295
Intermediate and depot level maintenance	936,140	930,095	969,796	+33,656	+39,701
Overseas contingency operations/Global war on terrorism	258,000	---	---	-258,000	---
(Permissive transfer from Navy O&M)	---	(254,461)	(254,461)	(+254,461)	---
Subtotal	7,051,054	6,791,178	6,759,627	-291,427	-31,551
(Defense)	(598,000)	(339,000)	(340,000)	(-258,000)	(+1,000)
(Nondefense)	(6,453,054)	(6,452,178)	(6,419,627)	(-33,427)	(-32,551)
Environmental Compliance and Restoration	13,500	13,162	12,151	-1,349	-1,011
Reserve Training	134,278	132,554	115,528	-18,750	-17,026
Automation modernization	---	---	50,000	+50,000	+50,000
Acquisition, Construction, and Improvements:					
Vessels:					
Survey and design-vessels and boats	6,000	2,500	2,500	-3,500	---
Response boat-medium	110,000	---	---	-110,000	---
In-service cutters sustainment	14,000	---	---	-14,000	---
National security cutter	77,000	683,000	656,500	+579,500	-26,500
Offshore patrol cutter	25,000	30,000	25,000	---	-5,000
Fast response cutter	358,000	139,000	224,000	-134,000	+85,000
Cutter small boats	5,000	4,000	4,000	-1,000	---
Medium endurance cutter sustainment	47,000	13,000	18,000	-29,000	+5,000
Polar Ice Breaking Vessel	---	8,000	8,000	+8,000	---
Subtotal	642,000	879,500	938,000	+296,000	+58,500

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Aircraft:					
Airframe replacement (CGNR 6017)	18,300	---	28,000	+9,700	+28,000
Maritime patrol aircraft	129,500	43,000	55,000	-74,500	+12,000
HH-60 conversion projects	56,100	---	---	-56,100	---
Long range surveillance aircraft	62,000	---	90,000	+28,000	+90,000
(DoD transfer for C-1305)(P.L. 112-74)	(63,500)	---	---	(-63,500)	---
HH-65 conversion/sustainment projects	24,000	31,500	31,500	+7,500	---
Subtotal	289,900	74,500	204,500	-85,400	+130,000
Other Acquisition Programs:					
Program oversight and management	26,000	25,000	10,000	-16,000	-15,000
Systems engineering and integration	17,140	2,500	---	-17,140	-2,500
C4ISR	38,500	40,500	40,500	+2,000	---
CG-Logistics Information Management System	6,500	2,500	2,500	-4,000	---
Nationwide automatic identification system	5,000	6,000	6,000	+1,000	---
Rescue 21	65,000	---	---	-65,000	---
Interagency operations centers	3,000	---	---	-3,000	---
Subtotal	161,140	76,500	59,000	-102,140	-17,500
Shore Facilities and Aids to Navigation:					
Major construction; Housing; ATON; and Survey and design	92,900	15,000	55,500	-37,400	+40,500
Major acquisition systems infrastructure	81,500	49,411	49,411	-32,089	---
Minor shore	6,292	5,000	5,000	-1,292	---
Subtotal	180,692	69,411	109,911	-70,781	+40,500

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Military Housing	20,000	---	---	-20,000	---
Personnel and Related Support:					
Direct personnel costs	109,592	116,798	116,582	+6,990	-216
Core acquisition costs	600	600	600	---	---
Subtotal	110,192	117,398	117,182	+6,990	-216
Rescission of unexpended balances (P.L. 111-83)	---	-25,000	---	---	+25,000
Subtotal, Acquisition, Construction, and Improvements	1,403,924	1,192,309	1,428,593	+24,669	+236,284
Research, Development, Test, and Evaluation	27,779	19,728	19,690	-8,089	-38
Health care fund contribution (permanent indefinite discretionary appropriation)	261,871	203,000	203,000	-58,871	---
Retired Pay (mandatory)	1,440,157	1,423,000	1,423,000	-17,157	---
Total, Coast Guard	10,332,563	9,774,931	10,011,589	-320,974	+236,658
Appropriations	(10,074,563)	(9,799,931)	(10,011,589)	(-62,974)	(+211,658)
Rescissions	---	(-25,000)	---	---	(+25,000)
Overseas contingency operations/Global war on terrorism	(258,000)	---	---	(-258,000)	---
(mandatory)	(1,440,157)	(1,423,000)	(1,423,000)	(-17,157)	---
(discretionary)	(8,892,406)	(8,351,931)	(8,588,589)	(-303,817)	(+236,658)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
United States Secret Service					
Salaries and Expenses:					
Protection:					
Protection of persons and facilities	832,463	837,646	---	-832,463	-837,646
Protective intelligence activities	68,125	68,373	---	-68,125	-68,373
National special security events	19,307	4,500	---	-19,307	-4,500
Presidential candidate nominee protection	113,462	57,960	---	-113,462	-57,960
White House mail screening	18,472	19,855	---	-18,472	-19,855
Subtotal	1,051,829	988,334	---	-1,051,829	-988,334
Investigations:					
Domestic field operations	223,991	238,553	---	-223,991	-238,553
International field office administration, operations and training	32,971	31,016	---	-32,971	-31,016
Electronic crimes special agent program and electronic crimes task forces	53,051	54,655	---	-53,051	-54,655
Support for missing and exploited children	8,366	---	---	-8,366	---
Subtotal	318,379	324,224	---	-318,379	-324,224
Headquarters, Management and Administration	191,588	174,669	---	-191,588	-174,669
Rowley Training Center	55,598	55,749	---	-55,598	-55,749
Information Integration and Technology Transformation	43,843	1,137	---	-43,843	-1,137

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Pay and Benefits:					
Protection	---	---	767,677	+767,677	+767,677
Headquarters, investigations, and other activities	---	---	335,425	+335,425	+335,425
Subtotal	---	---	1,103,102	+1,103,102	+1,103,102
Protective Operations	---	---	190,362	+190,362	+190,362
Presidential Campaigns and Events of National Significance	---	---	27,783	+27,783	+27,783
Investigative Operations:					
Domestic Field Operations	---	---	60,585	+60,585	+60,585
International Field Operations	---	---	17,463	+17,463	+17,463
Electronic crimes special agent program and electronic crimes task force operations	---	---	21,166	+21,166	+21,166
Subtotal	---	---	99,214	+99,214	+99,214
Headquarters, Training, and Enterprise Mission Support	---	---	135,594	+135,594	+135,594
Subtotal, Salaries and Expenses	1,661,237	1,544,113	1,556,055	-105,182	+11,942

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Acquisition, Construction, Improvements, and Related Expenses	5,380	56,750	56,750	+51,370	---
Total, United States Secret Service	1,666,617	1,600,863	1,612,805	-53,812	+11,942
Total, title II, Security, Enforcement, and Investigations	33,225,418	32,182,492	32,360,917	-864,501	+178,425
Appropriations	(32,967,418)	(32,207,492)	(32,360,917)	(-606,501)	(+153,425)
Rescissions	---	(-25,000)	---	---	(+25,000)
Overseas contingency operations/Global war on terrorism	(258,000)	---	---	(-258,000)	---
(Fee Accounts)	(1,848,374)	(2,020,505)	(1,910,505)	(+62,131)	(-110,000)
TITLE III - PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY					
National Protection and Programs Directorate					
Management and Administration:					
Administrative activities	46,454	50,321	45,321	-1,133	-5,000
Risk management and analysis	4,241	---	---	-4,241	---
Subtotal	50,695	50,321	45,321	-5,374	-5,000

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Infrastructure Protection and Information Security:					
Infrastructure Protection (defense):					
Infrastructure analysis and planning	70,518	56,909	56,866	-13,652	-43
Sector management and governance	74,219	67,132	67,061	-7,158	-71
Regional field operations	57,367	56,497	56,418	-949	-79
Infrastructure security compliance	93,348	74,544	45,420	-47,928	-29,124
Subtotal, Infrastructure protection	295,452	255,082	225,765	-69,687	-29,317
Cybersecurity and Communications:					
Cybersecurity (defense):					
Cybersecurity coordination	4,500	3,995	3,986	-514	-9
US Computer Response Team (US-CERT) Operations	79,116	93,002	92,927	+13,811	-75
Federal Network Security	35,000	236,014	235,992	+200,992	-22
Network Security Deployment	229,000	345,046	328,046	+99,046	-17,000
Global Cybersecurity Management	23,992	21,957	18,947	-5,045	-3,010
Critical Infrastructure Cyber Protection and Awareness	60,000	62,763	62,748	+2,748	-15
Business Operations	11,568	6,227	6,211	-5,357	-16
Subtotal, Cybersecurity	443,176	769,004	748,857	+305,681	-20,147

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Communications (defense):					
Office of Emergency Communications	43,495	38,689	38,654	-4,841	-35
Priority telecommunications services	56,074	53,286	53,265	-2,809	-21
Next generation networks	25,253	20,000	19,999	-5,254	-1
Programs to study and enhance telecommunications	13,441	19,594	12,930	-511	-6,664
Critical infrastructure protection programs	11,352	10,978	10,960	-392	-18
Subtotal, Communications	149,615	142,547	135,808	-13,807	-6,739
Subtotal, Cybersecurity and Communications	592,791	911,551	884,665	+291,874	-26,886
Subtotal, Infrastructure Protection and Information Security (defense)	888,243	1,166,633	1,110,430	+222,187	-56,203
Federal Protective Service:					
Basic security	247,478	271,540	271,540	+24,062	---
Building-specific security	501,039	509,056	509,056	+8,017	---
Reimbursable Security Fees (contract guard services)	513,020	521,228	521,228	+8,208	---
Subtotal, Federal Protective Service	1,261,537	1,301,824	1,301,824	+40,287	---
Offsetting collections	-1,261,537	-1,301,824	-1,301,824	-40,287	---

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
U.S. Visitor and Immigrant Status Indicator Technology	306,802	---	---	-306,802	---
Office of Biometric Identity Management	---	---	191,380	+191,380	+191,380
Total, National Protection and Programs Directorate	1,245,740	1,216,954	1,347,131	+101,391	+130,177
Appropriations	(2,507,277)	(2,518,778)	(2,648,955)	(+141,678)	(+130,177)
Offsetting collections	(-1,261,537)	(-1,301,824)	(-1,301,824)	(-40,287)	---
Office of Health Affairs					
BioWatch	114,164	125,294	85,394	-28,770	-39,900
National Biosurveillance Integration System	12,013	8,000	13,000	+987	+5,000
Chemical Defense Program	5,439	500	500	-4,939	---
Planning and Coordination	6,162	4,907	5,407	-755	+500
Salaries and Expenses	29,671	27,757	27,702	-1,969	-55
Total, Office of Health Affairs	167,449	166,458	132,003	-35,446	-34,455
Federal Emergency Management Agency					
Salaries and Expenses:					
Administrative and regional offices	110,495	214,603	191,764	+81,269	-22,839
(Office of National Capital Region Coordination)	(5,493)	---	---	(-5,493)	---
Preparedness and protection	109,873	73,153	73,105	-36,768	-48
Response	226,228	171,897	171,644	-54,584	-253
(Urban search and rescue response system)	(41,250)	(27,513)	(27,513)	(-13,737)	---
Recovery	78,373	55,423	55,299	-23,074	-124

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Mitigation	43,675	27,110	27,087	-16,588	-23
Mission support	219,433	152,806	94,486	-124,947	-58,320
Centrally managed accounts	107,273	94,180	99,180	-8,093	+5,000
Subtotal	895,350	789,172	712,565	-182,785	-76,607
(Defense)	(99,099)	(58,000)	(58,000)	(-41,099)	---
(Nondefense)	(796,251)	(731,172)	(654,565)	(-141,686)	(-76,607)
(by transfer from State and Local Programs)	(91,778)	(279,304)	(123,696)	(+31,918)	(-155,608)
(available from Firefighter Assistance Grants)	(33,750)	---	(31,195)	(-2,555)	(+31,195)
(available from Emergency Management Performance Grants)	(10,500)	---	(9,239)	(-1,261)	(+9,239)
Subtotal, Salaries and Expenses	1,031,378	1,068,476	876,695	-154,683	-191,781
Automation modernization	---	---	58,048	+58,048	+58,048
Grants and Training:					
State and Local Programs:					
State and local programs (grants)	1,118,000	---	1,530,908	+412,908	+1,530,908
(Operation Stonegarden)	(50,000)	---	(55,000)	(+5,000)	(+55,000)
Education, Training, and Exercises:					
Emergency Management Institute	16,181	---	16,181	---	+16,181
Center for Domestic Preparedness	62,500	---	62,500	---	+62,500
National Domestic Preparedness Consortium	93,000	---	93,000	---	+93,000
National Exercise Program	34,000	---	34,000	---	+34,000
Continuing training	26,000	---	26,000	---	+26,000
Subtotal	231,681	---	231,681	---	+231,681

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Preparedness Grant Program	---	1,540,908	---	---	-1,540,908
First Responder Assistance Program:					
Emergency Management Performance Grants	---	350,000	---	---	-350,000
Fire Grants	---	335,000	---	---	-335,000
Staffing for Adequate Fire and Emergency Response (SAFER) Act Grants	---	335,000	---	---	-335,000
Training Partnership Grants	---	60,000	---	---	-60,000
Subtotal	---	1,080,000	---	---	-1,080,000
Management and Administration	---	279,304	---	---	-279,304
Subtotal, State and Local Programs	1,349,681	2,900,212	1,762,589	+412,908	-1,137,623
(Defense)	(50,000)	---	(55,000)	(+5,000)	(+55,000)
(Nondefense)	(1,299,681)	(2,900,212)	(1,707,589)	(+407,908)	(-1,192,623)
(transfer out to Salaries and Expenses)	(-91,778)	(-279,304)	(-123,696)	(-31,918)	(+155,608)
Subtotal, State and Local Programs (net)	1,257,903	2,620,908	1,638,893	+380,990	-982,015
Firefighter Assistance Grants:					
Fire grants	337,500	---	335,000	-2,500	+335,000
Staffing for Adequate Fire and Emergency Response (SAFER) Act grants	337,500	---	335,000	-2,500	+335,000
Subtotal	675,000	---	670,000	-5,000	+670,000

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
(available to Salaries and Expenses).....	(-33,750)	---	(-31,195)	(+2,555)	(-31,195)
Subtotal, Firefighter Assistance Grants(net)	641,250	---	638,805	-2,445	+638,805
Emergency Management Performance Grants.....	350,000	---	350,000	---	+350,000
(available to Salaries and Expenses).....	(-10,500)	---	(-9,239)	(+1,261)	(-9,239)
Subtotal, Emergency Management Performance Grants (net).....	339,500	---	340,761	+1,261	+340,761
Subtotal, Grants and Training (pre-transfer)....	2,374,681	2,900,212	2,782,589	+407,908	-117,623
Radiological Emergency Preparedness Program.....	-896	-1,443	-1,443	-547	---
United States Fire Administration.....	44,038	42,520	42,460	-1,578	-60
Disaster Relief Fund.....	700,000	607,926	607,926	-92,074	---
(Disaster relief category)1/.....	6,400,000	5,481,000	5,481,000	-919,000	---
Subtotal.....	7,100,000	6,088,926	6,088,926	-1,011,074	---
(transfer out to Inspector General).....	(-24,000)	---	(-24,000)	---	(-24,000)
Subtotal, Disaster Relief Fund (net).....	7,076,000	6,088,926	6,064,926	-1,011,074	-24,000
Disaster Assistance Direct Loan Program Account:					
(Limitation on direct loans).....	(25,000)	---	(25,000)	---	(+25,000)
Direct loan subsidy.....	295	---	---	-295	---
Flood Hazard Mapping and Risk Analysis Program.....	97,712	89,329	92,145	-5,567	+2,816

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Flood Insurance Fund:					
Salaries and expenses	22,000	22,000	22,000	---	---
Flood plain management and mapping	149,000	149,000	149,000	---	---
Subtotal	171,000	171,000	171,000	---	---
Offsetting fee collections	-171,000	-171,000	-171,000	---	---
National Predisaster Mitigation Fund	35,500	---	14,331	-21,169	+14,331
Emergency Food and Shelter	120,000	100,000	120,000	---	+20,000
Total, Federal Emergency Management Agency	10,666,680	10,008,716	9,909,621	-757,059	-99,095
(Appropriations)	(4,266,680)	(4,527,716)	(4,428,621)	(+161,941)	(-99,095)
(Disaster relief category)1/	(6,400,000)	(5,481,000)	(5,481,000)	(-919,000)	---
Total, title III, Protection, Preparedness, Response and Recovery Directorate	12,079,869	11,392,128	11,388,755	-691,114	-3,373
Appropriations	(5,679,869)	(5,911,128)	(5,907,755)	(+227,886)	(-3,373)
Disaster relief category 1/	(6,400,000)	(5,481,000)	(5,481,000)	(-919,000)	---
(By transfer)	(91,778)	(279,304)	(123,696)	(+31,918)	(-155,608)
(Transfer out)	(-115,778)	(-279,304)	(-147,696)	(-31,918)	(+131,608)
(Limitation on direct loans)	(25,000)	---	(25,000)	---	(+25,000)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE IV - RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES					
United States Citizenship and Immigration Services					
Appropriations:					
Systematic Alien Verification for Entitlements....	---	20,048	---	---	-20,048
E-Verify program.....	102,424	111,924	111,924	+9,500	---
Immigrant integration programs.....	---	11,002	---	---	-11,002
Subtotal.....	102,424	142,974	111,924	+9,500	-31,050
Fee Accounts:					
Adjudication Services:					
District operations.....	(1,315,570)	(1,283,771)	(1,313,702)	(-1,868)	(+29,931)
(Immigrant Integration Grants).....	(10,000)	---	(9,200)	(-800)	(+9,200)
Service center operations.....	(532,414)	(507,479)	(524,788)	(-7,626)	(+17,309)
Asylum, refugee and international operations....	(196,877)	(196,274)	(196,584)	(-293)	(+310)
Records operations.....	(86,631)	(86,774)	(86,774)	(+143)	---
Business transformation.....	(344,055)	(269,216)	(269,216)	(-74,839)	---
(Digitization program).....	(29,000)	---	(29,000)	---	(+29,000)
Subtotal.....	2,475,547	2,343,514	2,391,064	-84,483	+47,550

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Information and Customer Services:					
Operating expenses	(88,891)	(89,011)	(89,011)	(+120)	---
Administration:					
Operating expenses	(381,666)	(382,334)	(382,334)	(+668)	---
Systematic Alien Verification for Entitlements (SAVE)	(29,937)	---	(20,048)	(-9,889)	(+20,048)
Subtotal, Fee accounts	2,976,041	2,814,859	2,882,457	-93,584	+67,598
H1-B Visa Fee Account:					
Adjudication Services:					
Service center operations	---	(12,550)	---	---	(-12,550)
H1-B and L Fraud Prevention Fee Account:					
Adjudication Services:					
District operations	---	(35,000)	---	---	(-35,000)
Total, Fee accounts	2,976,041	2,862,409	2,882,457	-93,584	+20,048
Total, United States Citizenship and Immigration Services	(3,078,465)	(3,005,383)	(2,994,381)	(-84,084)	(-11,002)
Appropriations	(102,424)	(142,974)	(111,924)	(+9,500)	(-31,050)
Fee accounts	(2,976,041)	(2,862,409)	(2,882,457)	(-93,584)	(+20,048)
(Immigration Examination Fee Account)	(2,923,845)	(2,814,859)	(2,834,907)	(-88,938)	(+20,048)
(H1-B Visa Fee Account)	(13,000)	(12,550)	(12,550)	(-450)	---
(H1-B and L Fraud Prevention Fee Account)	(39,196)	(35,000)	(35,000)	(-4,196)	---

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal Law Enforcement Training Center					
Salaries and Expenses:					
Law enforcement training	207,937	198,375	198,004	-9,933	-371
Management and administration	29,716	29,261	29,163	-553	-98
Accreditation	1,304	1,303	1,300	-4	-3
Subtotal	238,957	228,939	228,467	-10,490	-472
Acquisitions, Construction, Improvements, and Related Expenses	32,456	29,385	27,385	-5,071	-2,000
Total, Federal Law Enforcement Training Center	271,413	258,324	255,852	-15,561	-2,472
Science and Technology					
Management and Administration	135,000	138,008	130,000	-5,000	-8,008
Research, Development, Acquisition, and Operations:					
Research, development, and innovation	265,783	478,048	405,555	+139,772	-72,493
Laboratory facilities	176,500	127,432	202,432	+25,932	+75,000
Acquisition and operations support	54,154	47,984	47,984	-6,170	---
University programs	36,563	40,000	40,000	+3,437	---
Subtotal	533,000	693,464	695,971	+162,971	+2,507
Total, Science and Technology	668,000	831,472	825,971	+157,971	-5,501

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Domestic Nuclear Detection Office					
Management and Administration	38,000	39,692	38,000	---	-1,692
Research, Development, and Operations:					
Systems engineering and architecture	30,000	30,091	30,000	---	-91
Systems development	51,000	28,401	28,000	-23,000	-401
Transformational research and development	40,000	83,897	74,766	+34,766	-9,131
Assessments	38,000	33,198	33,000	-5,000	-198
Operations support	33,000	35,679	35,500	+2,500	-179
National Technical Nuclear Forensics Center	23,000	25,564	25,564	+2,564	---
Subtotal	215,000	236,830	226,830	+11,830	-10,000
Systems Acquisition:					
Radiation portal monitor program	7,000	1,355	1,355	-5,645	---
Securing the Cities	22,000	22,000	22,000	---	---
Human portable radiation detection system	8,000	28,100	28,100	+20,100	---
Subtotal	37,000	51,455	51,455	+14,455	---
Total, Domestic Nuclear Detection Office	290,000	327,977	316,285	+26,285	-11,692
Total, title IV, Research and Development, Training, and Services	1,331,837	1,560,747	1,510,032	+178,195	-50,715
(Fee Accounts)	(2,976,041)	(2,862,409)	(2,882,457)	(-93,584)	(+20,048)

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE V - GENERAL PROVISIONS					
NSSE reimbursement fund	7,500	---	---	-7,500	---
Rescission of unobligated balances	-45,411	---	---	+45,411	---
Data center migration	70,000	---	---	-70,000	---
DHS Consolidated Headquarters Project	55,979	---	---	-55,979	---
Rescission of legacy funds	-20,654	---	---	+20,654	---
ICE Salaries and expenses (rescission)	-10,000	---	---	+10,000	---
ICE Automation Modernization (rescission)	-10,000	---	---	+10,000	---
TSA (rescission)	-71,300	---	---	+71,300	---
CBP Automation Modernization (rescission)	-5,000	---	---	+5,000	---
USCG AC&I Great Lakes Icebreaker (rescission)	-2,427	---	---	+2,427	---
TASC (rescission)	-5,000	---	---	+5,000	---
US-VISIT (rescission)	-27,400	---	---	+27,400	---
Predisaster Mitigation Fund (rescission)(Sec. 560)	---	---	-6,000	-6,000	-6,000
CBP BSFIT Program Management (rescission)(Sec. 561)	-7,000	---	-40,412	-33,412	-40,412
Rescission of NSC #5 FY11 funding (Sec. 561)	---	---	-54,100	-54,100	-54,100
Rescission of NSC #4 FY10 funding (Sec. 561)	---	---	-37,500	-37,500	-37,500
SEI (FY 11) (rescission)(Sec. 561)	---	---	-10,000	-10,000	-10,000
SEI (FY12) (rescission)(Sec. 561)	---	---	-10,000	-10,000	-10,000
Patrol boats (FY10)(rescission)(Sec. 561)	---	---	-5,000	-5,000	-5,000
H-60 (FY12)(rescission)(Sec. 561)	---	---	-5,000	-5,000	-5,000
H-65 (rescission)(Sec. 561)	---	---	-10,000	-10,000	-10,000
Offshore Patrol Cutter (FY 11) (rescission)(Sec. 561)	---	---	-27,000	-27,000	-27,000
Offshore Patrol Cutter (FY 12) (rescission)(Sec. 561)	---	---	-23,000	-23,000	-23,000

DEPARTMENT OF HOMELAND SECURITY
(Amounts in thousands)

	FY 2012 Enacted	FY 2013 Request	Bill	Bill vs. Enacted	Bill vs. Request
Treasury Asset Forfeiture Fund (rescission)(Sec. 562).	---	---	-60,000	-60,000	-60,000
FEMA Predisaster mitigation (rescission)(Sec. 563)....	---	---	-2,831	-2,831	-2,831
ODP (rescission)(Sec. 563).....	---	---	-1,316	-1,316	-1,316
Total, title V, General Provisions.....	-70,713	---	-292,159	-221,446	-292,159
Appropriations.....	(133,479)	---	---	(-133,479)	---
Rescissions.....	(-204,192)	---	(-292,159)	(-87,967)	(-292,159)
Grand total.....	47,698,385	46,413,991	46,020,473	-1,677,912	-393,518
Appropriations.....	(41,244,577)	(40,957,991)	(40,831,632)	(-412,945)	(-126,359)
Rescissions.....	(-204,192)	(-25,000)	(-292,159)	(-87,967)	(-267,159)
Overseas contingency operations/Global war on terrorism.....	(258,000)	---	---	(-258,000)	---
Disaster relief category 1/.....	(6,400,000)	(5,481,000)	(5,481,000)	(-919,000)	---
(Fee funded programs).....	(4,824,415)	(4,882,914)	(4,792,962)	(-31,453)	(-89,952)
(Limitation on direct loans).....	(25,000)	---	(25,000)	---	(+25,000)
(by transfer).....	(115,778)	(279,304)	(147,696)	(+31,918)	(-131,608)
(transfer out).....	(-115,778)	(-279,304)	(-147,696)	(-31,918)	(+131,608)

1/ Current year funding was provided in P.L. 112-77, the Disaster Relief Appropriations Act, 2012.

MINORITY VIEWS

This bill largely continues the Subcommittee's bipartisan tradition of cooperation and we sincerely appreciate the open and collaborative process undertaken by the majority, culminating with the fiscal year 2013 Department of Homeland Security Appropriations bill. We are supportive of the funding levels provided in the bill, with certain exceptions; we object however, to a number of unnecessary policy provisions.

The bill provides adequate funding for the front line employees of the Department of Homeland Security, so that they can 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 experiences. The bill substantially increases funding for critical grant programs while rejecting the Administration's poorly articulated changes to the grant structure-—changes that have not been authorized. Specifically, we are pleased that funding for FEMA State and Local grants was increased by $413 million over fiscal year 2012, and that both fire grants and emergency performance grants are funded at the requested levels. Equally important, the bill provides ample funding for research and development efforts in the Department, most notably at the Science and Technology Directorate, allowing work on all high priority research efforts to continue as well as new projects to begin. The bill also increases funding for critical Coast Guard, as well as Air and Marine, acquisitions, to recapitalize aging assets while bringing the latest aviation and vessel technologies on line to ensure these personnel can operate more effectively. The bill keeps intact the agreement Congress enacted last year as part of the Budget Control Act but only as it relates to disaster spending. And finally the bill includes a substantial increase for cyber security protective efforts to continuously monitor and detect intrusions to our Federal networks from foreign espionage and cyber attacks.

CONCERNS WITH THE BILL: OVERALL FUNDING LEVEL

We are disappointed that House Republicans unilaterally walked away from the bipartisan agreement to establish $1.047 trillion as the Committee's overall allocation. A majority of their conference voted for the Budget Control Act agreement less than nine months ago. By reneging on the agreement, and disregarding the law, the Committee has been forced to absorb $19 billion in reductions below the Budget Control Act levels, mainly to finance tax reductions for the wealthiest Americans. This puts House Republicans at odds with House Democrats, Senate Democrats, Senate Republicans, and the White House. Senate Minority Leader McConnell recently voted for allocations at $1.047 trillion, and Ranking Member Cochran stated that it is appropriate "for the Committee to proceed on the basis of the discretionary caps enacted into law." House

Republicans have thus introduced uncertainty about the overall discretionary allocation and raised questions about the intent of the House majority to keep the government running. This uncertainty will slow down the appropriations process, and the austere House allocation, if it stands, could stall economic growth and impede job creation.

BURDENSOME IMMIGRATION PROVISIONS

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 the Alternatives to Detention program, we have serious reservations about expanded immigration provisions included in this bill, which constitute an unwise use of taxpayer resources.

We strongly oppose inclusion of statutory language mandating that Immigration and Customs Enforcement (ICE) maintain a level of not less than 34,000 detention beds through September 30, 2013, which is 1,200 more beds than the budget request. This language may compromise ICE's ability to satisfy its stated enforcement priorities and accomplish detention reform. As ICE Assistant Secretary John Morton has stated, not only does this language mandate that he maintain 34,000 detention beds, but that he fill those beds with detainees on a daily basis.

While we have no problem funding the capacity for 32,800 beds, as requested, the use of those beds should be determined by the enforcement actions and 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 priorities to reform the detention system and target its use for only those individuals who require it. Further, in an environment of fiscal restraint, telling a federal agency that they're not permitted to spend less than a certain amount limits the ability of ICE to achieve its objectives with a savings to the taxpayer. For example, this bill could provide ICE the flexibility, as requested, to transfer funds between immigration detention and the Alternatives to Detention program, commensurate with the level of risk a detainee present, yet it does not. This flexibility could result in significant daily cost savings. Furthermore, we are unaware of any other law enforcement agency with a statutory requirement to detain no less than a certain number of individuals on a daily basis.

In addition to a set figure for detention beds, the bill includes new statutory spending floors for both worksite enforcement and the 287(g) program. In regards to worksite enforcement, the bill has *never* included a statutory minimum funding level. Similar to our concern about detention beds, we should not be telling a federal agency that they are not able to spend less than $134.6 million on worksite enforcement efforts. This language reduces Assistant Secretary Morton's flexibility to respond to current immigration concerns or changing conditions.

The bill raises the minimum amount ICE must spend on the 287(g) program from $5.4 million to $68.3 million. We are concerned about a twelve-fold increase to the statutory minimum for a program that nine years after it was first initiated has had re-

peated documentation of abuses and poor management. Three audits by the DHS Inspector General have found serious concerns about the 287(g) program, and ICE has had to terminate some 287(g) Taskforces, notably in Maricopa County, Arizona, after the Justice Department clearly documented racial profiling and other programmatic abuses. The Administration's FY 2013 budget sought to reduce funding for the 287(g) program by $17 million, and ICE has notified communities that they will no longer consider any 287(g) taskforce model requests from states and local jurisdictions. Instead these funds were to be devoted to the expansion of other ICE programs and the continued deployment of Secure Communities, a program to check immigration status that is more cost-effective than 287(g) and that distinguishes federal and local authority more precisely. Yet, the bill both rejects the requested decrease and raises the statutory floor that must be spent on this flawed program, reducing the Administration's ability to fund more effective immigration initiatives. As the Secure Communities program reaches nationwide operability in FY 2013, the 287(g) program should be reduced, not continued at this arbitrarily high level.

REDUCTIONS TO FACILITIES CONSTRUCTION AND INFORMATION TECHNOLOGY

Recognizing that the majority had to make cuts to meet the Ryan budget figures, it is nonetheless disappointing that the bill fails to provide funding for construction activities at the new DHS headquarters and to consolidate data center activities. Both of these decisions are penny-wise and pound foolish.

Specifically, the bill does not fund the request of $64.8 million in fiscal year 2013 that would have permitted DHS to migrate component resources to two consolidated data centers, a project that is already under way 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 fails to provide the $89 million for site access, including necessary road and interchange improvements, for DHS personnel to access the new DHS headquarters. The new DHS headquarters project has been shortchanged over the past few years, causing repeated schedule delays and increasing the costs from $3.4 billion to just over $4 billion if all three phases are constructed. In the interim, the Coast Guard may be the only tenant at this new facility for the next 3–5 years, as the bill funds only this relocation in 2013. The bill does not include any funding for Phase 2, which was to begin construction for DHS central headquarters and FEMA. We would hope to increase this level of funding as the bill progresses towards enactment because, in the long run, this would save taxpayer funds and improve agency performance.

At the same time that this bill eliminates funding for vital initiatives, it includes $75 million that was not requested for the National Bio and Agro-defense Facility in Manhattan, Kansas. While we have supported the construction of this facility, our support has been contingent upon completion of a site security risk assessment to ensure that this facility does not release harmful pathogens, such as the foot-and-mouth virus, into America's heartland. The first review indicated a 70 percent risk over a 50 year period. Ear-

lier this year, the Department indicated this risk has been greatly mitigated with additional design features. However, the National Academy of Science is reviewing the revised site security risk assessment now, and until the results are published we believe it is premature to appropriate additional funds for NBAF construction. This is especially true when funding from fiscal years 2011 and 2012 remains unobligated. DHS tells us that these previous appropriations will support all construction activities through fiscal year 2013. We believe the $75 million included in this bill should be reallocated to critical research projects within the Science and Technology Directorate or to other critical construction activities, such as the new DHS headquarters, instead of being provided to NBAF.

OVERLY BURDENSOME OVERSIGHT PROVISIONS IMPACT PEOPLE'S ABILITY TO DO THEIR JOBS

While we are pleased by the bill's commitment to oversight—a theme this Subcommittee has held constant since the Department was formed in 2003—we are concerned that the bill applies overly punitive withholdings and burdensome restrictions on the Secretary, Under Secretary for Management, Chief Financial Officer, Commandant and Vice Commandant of the Coast Guard, and the Customs and Border Protection.

It is interesting to recall that when the Democrats were in the majority, additional views submitted by the Full Committee and Subcommittee Chairmen on our bills noted vehement opposition to withholdings of funds and additional restrictions because it delayed essential security resources. Yet, three years later, this bill withholds 60 percent of all funding appropriated for the Secretary, Under Secretary, and CFO offices until receipt of *all* statutorily reports and plans required at the time the budget is submitted; 10 percent (or $836.6 million) from CBP Salaries and Expenses; and 37 percent (or $75 million) from Coast Guard Headquarters due to failures to submit statutorily required plans. While we agree that the Department has been unacceptably delinquent in providing statutorily required reports that are critical to our decision making, the withholdings in the bill are particularly excessive this year.

These withholdings enter the realm of parody with the addition of a new General Provision that prohibits the Secretary, Deputy Secretary, Commandant or Vice Commandant of the Coast Guard to use their aircraft, except in limited emergency situations, until receipt of the comprehensive acquisition review plan and the Coast Guard's Capital Investment Plan. We were disappointed that an amendment we offered striking these excessive and redundant restrictions on the use of Coast Guard aircraft was not accepted in Full Committee.

Both of these provisions are extreme, and the withholdings will compromise the ability of DHS leaders to do their jobs. We will continue to voice our concerns about these issues and attempt to work with the Majority in an effort to further improve the bill as it moves toward enactment.

ABORTION AMENDMENT ADOPTED IN FULL COMMITTEE

Over Democratic objections, the Full Committee adopted three General Provisions on abortion. These amendments: (1) prohibit federal funds to be used to pay for abortions except which the life of the mother would be endangered or in the case of rape; (2) prohibit funds for a person to perform or facilitate the performance of an abortion; and (3) permit Immigration and Customs Enforcement to provide escort services for a female detainee to receive abortion services outside the detention facility (if she pays), with an exception for philosophical beliefs. While these provisions have been in the Commerce, State, Justice Appropriations bill intermittently since at least 1987, they have NEVER been carried on the DHS appropriations bill. And the provisions offered did not even include an exception for incest, which we modified by amendment.

However, even with the additional exception for incest, there is no reason that this language should be on the Department of Homeland Security bill, other than for political gamesmanship. This Department was formed in 2003. Since that time, neither the first nor the second Chairman of the Subcommittee felt the need to add these three abortion amendments to the bill, because they are unnecessary. ICE already follows the procedures laid out for the Bureau of Prisons, prohibiting the use of federal funds to provide abortions. In fact, ICE has not paid for an abortion procedure throughout the entire course of the Obama Administration, and any services provided by ICE in the last decade have been solely for post-miscarriage care.

Numerous restrictions in law have already conditioned and qualified reproductive choice in practice. Among those are prohibitions on the use of federal funds for abortion procedures in President Obama's Executive Order 13535, issued on March 24, 2010, which we believe specifically applies to ICE and the Department of Homeland Security.

Having met with numerous ICE agents and the Director, not once has anyone mentioned to this Committee that women's reproductive health makes their job more difficult. The focus of this bill should be equipping our Homeland Security professionals with the tools they need to keep us safe. Weighing down this bill with divisive, ideological riders is a disservice to our entire first responder community.

It is a shame that we have had to cast aside the bipartisan and cooperative effort we have shared in crafting this bill for a politically charged amendment that accomplishes nothing and makes no change whatsoever in current law or procedures. We will continue to oppose these redundant, unnecessary, and provocative provisions.

NORMAN D. DICKS.
DAVID E. PRICE.

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