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SENATE

{ REPORT
{ 112-169

DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS BILL, 2013

MAY 22, 2012.—Ordered to be printed

Ms. LANDRIEU, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 3216]

The Committee on Appropriations reports the bill (S. 3216) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2013, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Total obligational authority, fiscal year 2013

Total of bill as reported to the Senate ^{1 2 3 7}	\$46,671,548,000
Amount of 2012 appropriations ^{4 6}	47,698,385,000
Amount of 2013 budget estimate ^{1 2 5 7}	46,413,991,000
Bill as recommended to Senate compared to—	
2012 appropriations	– 1,026,837,000
2013 budget estimate	+ 257,557,000

¹ Committee recommendation includes \$191,798,000 in rescissions, compared to \$25,000,000 of proposed cancellations.

² Includes a permanent indefinite appropriation of \$203,000,000 for the Coast Guard healthcare fund contribution.

³ Includes \$254,000,000 for the Coast Guard for the costs of overseas contingency operations.

⁴ Includes rescissions totaling \$204,192,000 pursuant to Public Law 112–74. Includes permanent indefinite appropriation of \$261,871,000 for the Coast Guard healthcare fund contribution. Includes \$258,000,000 for the Coast Guard for the costs of overseas contingency operations.

⁵ Excludes up to \$254,461,000 for Coast Guard overseas contingency operations requested in Department of Defense “Operation and Maintenance, Navy”.

⁶ Includes \$6,400,000,000 for the FEMA Disaster Relief Fund designated by Congress as disaster relief pursuant to Public Law 112–25.

⁷ Includes \$5,481,000,000 for the FEMA Disaster Relief Fund designated by Congress as disaster relief pursuant to Public Law 112–25.

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OVERVIEW AND SUMMARY OF THE BILL

	Fiscal year 2013 request ^{1 2 4 5}	Fiscal year 2013 Committee recommendation ^{1 2 3 5}
Title I—Departmental Management and Operations	\$1,278,624,000	\$1,101,627,000
Title II—Security, Enforcement, and Investigations	32,182,492,000	32,651,205,000
Title III—Protection, Preparedness, Response, and Recovery	11,392,128,000	11,451,520,000
Title IV—Research and Development, Training, and Services	1,560,747,000	1,534,697,000
Title V—General Provisions .....	.....	-67,501,000
Total, new budget (obligational authority)	46,413,991,000	46,671,548,000

¹ Committee recommendation includes \$191,798,000 in rescissions, compared to \$25,000,000 of proposed cancellations.
² Includes a permanent indefinite appropriation of \$203,000,000 for the Coast Guard healthcare fund contribution.
³ Includes \$254,000,000 for the Coast Guard for the costs of overseas contingency operations.
⁴ Excludes up to \$254,461,000 for Coast Guard overseas contingency operations requested in Department of Defense "Operation and Maintenance, Navy".
⁵ Includes \$5,481,000,000 for the FEMA Disaster Relief Fund designated by Congress as disaster relief pursuant to Public Law 112–25.

The Committee recommends total appropriations of \$46,671,548,000 for the Department of Homeland Security for fiscal year 2013, \$257,557,000 more than the budget request. Of this amount, \$45,248,548,000, including \$254,000,000 for Coast Guard overseas contingency operations and \$5,481,000,000 for the FEMA Disaster Relief Fund designated by Congress as disaster relief pursuant to Public Law 112–25, is for discretionary programs.

The Committee recommends discretionary appropriations, excluding Coast Guard overseas contingency operations and the FEMA Disaster Relief Fund adjustment, of \$39,513,548,000, \$86,680,000 below fiscal year 2012 and \$3,557,000 above the President’s request.

OVERVIEW

One year after the death of Osama bin Laden and 7 months after the death of Anwar al-Awlaki, the Congress could decide that it is time to reduce its commitment to securing the homeland. That would be a mistake. Recent intelligence highlights the significant and evolving threats to America’s homeland.

In recent remarks at the Woodrow Wilson International Center for Scholars, the Assistant to the President for Homeland Security and Counterterrorism concluded that, “there are still terrorists in hard-to-reach places who are actively planning attacks against us. If given the chance, they will gladly strike again and kill more of our citizens . . . And the President has a Constitutional and solemn obligation to do everything in his power to protect the safety and security of the American people . . . As the al Qaeda core falters, it continues to look to its affiliates and adherents to carry on its murderous cause. Despite the great progress we’ve made against al Qaeda, it would be a mistake to believe this threat has passed. Al Qaeda and its associated forces still have the intent to attack the United States. And we have seen lone individuals, in-

cluding American citizens—often inspired by al Qaeda’s murderous ideology—kill innocent Americans and seek to do us harm.”

The threat of homegrown terrorism continues. The Fort Hood shooting was committed by a United States citizen. The New York City subway bomb plot was organized by a legal resident alien. The Times Square bombing attempt was precipitated by a naturalized citizen.

Threats from abroad continue to be a serious concern, as evidenced by the 2009 Christmas Day bomb plot, the October 2010 air cargo bombing attempt, and efforts as recently as April 2012 by al Qaeda in the Arabian Peninsula to place nonmetallic explosives on aircraft bound for the United States. We also face persistent cybersecurity threats from individuals, sophisticated criminal organizations, and nation states that desire to do us harm.

In addition to these man-made threats, natural disasters continue to have a significant impact in cities and rural communities. The Department of Homeland Security must prepare for and respond to such natural disasters. In 2011, the President issued 99 disaster declarations in 48 States. According to the Department of Commerce, the United States suffered 14 disasters that cost over \$1,000,000,000 each, the most since it has been keeping records.

The Department of Homeland Security seeks to mature and strengthen homeland security at all levels of government, the private sector, and our citizenry. More than 10 years after the attacks of 9/11, it is critical that the Nation develop and maintain a constant, capable, and vigilant posture to protect ourselves against existing and evolving threats. The Department must also ensure that all levels of government and the private sector effectively prepare for and respond to natural disasters.

In addition, the Department must effectively carry out its many legacy statutory responsibilities, including securing our borders, enforcing our immigration laws, facilitating trade, protecting our currency, securing cyber systems, combating drug trafficking, securing the aviation sector and other modes of transportation, and promoting the safety of life and property at sea. As the economy improves, it is expected that there will be increased demand for Department of Homeland Security missions, particularly trade, border security, immigration enforcement, maritime safety, and aviation security. We should not allow long lines, or reduced law enforcement to deter such growth. In carrying out such missions in fiscal year 2011, the Department of Homeland Security:

COAST GUARD

- Responded to 20,510 search and rescue incidents, saving 3,804 lives and protecting \$82,000,000 in property;
- Interdicted 2,474 undocumented migrants attempting to illegally enter the United States;
- Removed 165,375 pounds of cocaine and 39,690 pounds of marijuana bound for the United States; seized 40 vessels, and detained 191 suspected drug smugglers;
- Conducted 5,000 escorts of high-capacity passenger vessels, naval vessels, and ships carrying dangerous cargoes;
- Conducted 37,000 waterborne patrols to protect Critical Infrastructure and Key Resources;

- Performed over 6,500 inspections at facilities to ensure compliance, identifying over 2,250 deficiencies of safety, security, and environmental protection regulations;
- Completed over 26,500 container inspections, identifying more than 2,220 deficiencies; and
- Responded to and investigated approximately 3,000 pollution incidents.

U.S. CUSTOMS AND BORDER PROTECTION [CBP]

- CBP officers at 329 ports of entry inspected 340 million travelers and enrolled over 290,000 new travelers for a total of 1,139,056 members in the agency's Trusted Traveler Programs;
- Nationwide, Border Patrol apprehensions of illegal aliens, a key indicator of illegal immigration, decreased from nearly 724,000 in fiscal year 2008 to approximately 340,252 in fiscal year 2011, a 53-percent reduction and one-fifth of what they were at their peak in 2000. This indicates that, as a result of increased enforcement and restrained economic conditions, fewer people are attempting to illegally cross the border;
- CBP Agriculture Specialists seized more than 1.6 million prohibited plant materials, meat, and animal byproducts in fiscal year 2011, and intercepted nearly 183,000 pests at ports of entry;
- Seized over \$126,000,000 in currency (inbound and outbound) at and between U.S. ports of entry;
- Seized more than 5 million pounds of narcotics a 20-percent increase from fiscal year 2010;
- Processed nearly \$2,300,000,000 in trade—a 10-percent increase over fiscal year 2010—and 23.5 million containers through our Nation's ports of entry. In fiscal year 2011, CBP officers conducted more than 24,800 seizures of violations of Intellectual Property Rights, compared to nearly 20,000 in fiscal year 2010, and prevented \$178,000,000 in counterfeit goods from entering the U.S. economy;
- At ports of entry, CBP officers arrested over 22,200 people wanted for crimes, including murder, rape, assault, and robbery. CBP officers also denied entry to more than 171,500 people attempting to enter the United States through an air, land, or sea port of entry who were found inadmissible for immigration, customs, health, criminal, or national security reasons; and
- CBP officers processed more than 15 million travelers at 15 international pre-clearance locations.

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT [ICE]

- Made over 48,000 arrests, 29,397 criminal arrests, and 18,785 administrative arrests;
- Removed approximately 396,906 individuals, the largest number in history. Of these, 55 percent or 216,698 of the people removed were convicted of felonies or misdemeanors, which is an 89-percent increase in the removal of criminals since fiscal year 2008. This includes 1,119 aliens convicted of homicide; 5,848 aliens convicted of sexual offenses; 44,653 aliens con-

- victed of drug-related crimes; and 35,927 aliens convicted of driving under the influence of alcohol or drugs;
- Seized nearly 2.4 million pounds of narcotics and other dangerous drugs;
- During fiscal year 2011, ICE seized a record 1,118 weapons from gang members or gang associates, this reflects an increase of more than 105 percent over fiscal year 2010;
- Processed more than 11,700 child exploitation investigative leads, from both foreign and domestic sources. This represents a 66-percent increase from fiscal year 2010 and a 129-percent increase from fiscal year 2009. In addition, ICE achieved 1,414 criminal arrests and initiated 3,147 criminal investigations. This represents a 49-percent and 26-percent increase, respectively, from fiscal year 2010; and
- Represented the U.S. Government in 735,998 hearings before the Immigration Courts, resulting in 186,221 orders of removal. Additionally, attorneys prosecuted 4,364 administrative removal cases for aliens convicted of aggravated felonies.

UNITED STATES SECRET SERVICE

- Secret Service protective details and field agents ensured 100-percent incident-free protection for 5,616 domestic travel stops and 399 international travel stops; of the total domestic travel stops, foreign dignitary protection represented 2,355 travel spots, including visits by 216 heads of state and government, and 86 spouses, from 136 countries;
- Protected 129 heads of state and government and 55 spouses at the 66th session of the United Nations General Assembly in New York, New York;
- Screened more than 1.4 million members of the public at Secret Service protective events;
- Screened 1.43 million mail items, including packages and gifts, destined for the White House;
- Arrested 4,642 suspects for noncyber financial crimes violations, 2,857 suspects for counterfeiting violations, 187 suspects for mortgage fraud violation, and 1,239 suspects for cyber crime related violations;
- Seized over \$71,000,000 in counterfeit currency before it could be introduced into circulation;
- Prevented \$5,600,000,000 in potential losses through financial crime investigations and \$1,600,000,000 through cyber crime investigations; and
- Fingerprinted/photographed 6,155 children for “Operation Safe Kids,” opened 201 investigative cases, and made 145 arrests providing forensic support for missing and exploited children.

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES [USCIS]

- Naturalized more than 692,000 new citizens;
- Processed more than 17 million employment verification queries through E-Verify;
- Naturalized more than 10,000 military servicemembers along with their qualified family members;
- Interviewed nearly 80,000 refugee applicants; and
- Processed more than 34,000 asylum applications.

TRANSPORTATION SECURITY ADMINISTRATION [TSA]

- Screened more than 640 million people and more than 425 million checked bags;
- Prevented passengers from bringing more than 133,000 dangerous prohibited items onto planes;
- Through Secure Flight, prescreened 100 percent of the nearly 14 million passengers flying weekly to, from, and within the United States against Government watchlists;
- Screened 308 million pounds of cargo with TSA proprietary canine teams;
- Processed over 288,788 Transportation Worker Identification Credential [TWIC] applicants; and
- Initiated Pre-Check, a risk-based security screening method designed to make secure screening more efficient for known travelers.

NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

- Conducted 19 Cybersecurity Compliance Validations of Federal Executive Branch departments and agencies;
- Processed more than 106,000 incident reports from Federal departments and agencies and critical infrastructure and international partners;
- Received and prioritized approximately 7,780 files for malware analysis, resulting in the release of more than 5,200 actionable cybersecurity alerts and information products;
- Provided technical assistance to all 56 States and U.S. territories to align State and national communications systems to support the implementation of Statewide Communication Interoperability Plans for use during disasters;
- Assessed more than 680 critical infrastructure sites and conducted Regional Resiliency Assessments on clusters of high-consequence critical infrastructure to coordinate protection efforts in major metropolitan areas;
- The Federal Protective Service responded to 53,000 incidents, made 1,975 arrests, and interdicted more than 680,000 weapons/prohibited items during routine checks at Federal facilities; and
- Investigated and mitigated more than 1,300 threats and assaults directed toward Federal facilities and their occupants.

OFFICE OF HEALTH AFFAIRS

- Collected over 200,000 samples in more than 30 U.S. cities to enhance protection and preparedness for high consequence biological threats;
- Conducted exercises in U.S. cities to test full-scale response among multi-jurisdictions if notified of a biological incident; and
- Delivered 200,000 courses of medical countermeasures to 127 field locations providing DHS personnel with immediate access to life-saving medications to ensure frontline operations can continue during a biological attack.

FEDERAL EMERGENCY MANAGEMENT AGENCY [FEMA]

- Supported disaster response and recovery for major disasters, including 99 major declared disasters, 26 emergency declarations, and 112 fire management assistance declarations;
- During Hurricane Irene in 2011, FEMA pre-positioned communications equipment purchased after 2005 and local officials consistently reported no unmet communications requests during the response;
- Obligated \$5,600,000,000 in disaster recovery assistance;
- Managed the national deployment program, which provided systems and tracking support for disaster and emergency declarations, processed 30,000 deployment requests, and fielded 120,000 calls in support of deployment activity;
- Trained more than 2.5 million homeland security and emergency management officials and first responders, including thousands of State, local, and tribal responders;
- Conducted more than 200 Federal, State, and local exercises, including more than 40 Executive Education Seminars, to educate newly elected and appointed officials on homeland security and emergency management issues;
- Provided 100 technical assistance deliveries for fusion centers, planning, and critical infrastructure/key resources; and
- Due to investments made after the Post-Katrina Emergency Management Reform Act, FEMA catastrophic planning is more integrated, shelter facility data is better managed, and the disaster acquisition process is proactive, not reactive.

OFFICE OF THE INSPECTOR GENERAL [OIG]

- The OIG issued 118 management and 61 financial assistance grant reports in fiscal year 2011, identifying \$963,000,000 of questioned costs and recovering \$35,200,000 from cost disallowances in prior audit reports and investigations, and identified \$27,700,000 in funds put to better use;
- Investigations resulted in 402 arrests, 283 indictments, and 358 convictions. In addition, the Office of Investigations closed 953 investigations and 15,102 complaints, initiated 1,353 new investigations, and issued 863 Reports of Investigation; and
- Investigative recoveries, fines, restitutions, and cost savings totaled \$28,500,000.

FEDERAL LAW ENFORCEMENT TRAINING CENTER [FLETC]

- Effectively trained 70,542 law enforcement agents, an increase of 7.3 percent or 4,806 agents above fiscal year 2010;
- The Rural Policing Institute trained 15,194 State, local, campus and tribal law enforcement officers in locations throughout the United States and via distance learning; and
- Completed the construction of the Counterterrorism Operations Training Facility Intermodal Terminal Building, a first-of-its-kind facility that addresses evolving threats to homeland security by offering frontline law enforcement personnel hands-on training in a realistic, state-of-the-art intermodal transportation environment.

ADMINISTRATIVE SAVINGS

In an effort to maximize resources for front line missions, the Committee has approved \$850,000,000 of administrative savings, \$191,798,000 of rescissions of low-priority unobligated balances, approved limitations on noncompetitive contracts, required reporting to the Inspector General on expenditures on conferences, limited travel to international conferences, required 32 expenditure and related plans to promote congressional oversight and effective execution of Federal funding (prohibiting the obligation of over \$589,000,000 until such plans are delivered to Congress), consolidated eight grant programs, and increased public integrity funding for the Inspector General and Customs and Border Protection. These cuts come on top of over \$800,000,000 of similar savings and over \$204,000,000 of rescissions in the fiscal year 2012 DHS Appropriations Act.

REFERENCES

This report refers to several Public Laws by short title as follows: The Budget Control Act of 2011, Public Law 112–25, is referenced as the BCA; American Recovery and Reinvestment Act of 2009, Public Law 111–5, is referenced as ARRA; 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; Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93–288, is referenced as the Stafford Act; and Intelligence Reform and Terrorism Prevention Act of 2004, Public Law 108–458, is referenced as the Intelligence Reform Act.

Any reference in this report to the Secretary shall be interpreted to mean the Secretary of Homeland Security.

Any reference to the Department or DHS shall be interpreted to mean the Department of Homeland Security.

Any reference in this report to a departmental component shall be interpreted to mean directorates, components, offices, or other organizations in the Department of Homeland Security.

Any reference to “full-time equivalents” shall be referred to as FTE.

Any reference to “program, project, and activity” shall be referred to as PPA.

Any reference to a “Homeland Security Presidential Directive” shall be referred to as HSPD.

Any reference to “Government Accountability Office” shall be referred to as GAO.

Any reference to the “Office of Inspector General” of the Department of Homeland Security shall be referred to as OIG.

DEPARTMENT OF HOMELAND SECURITY

TITLE I

DEPARTMENTAL MANAGEMENT AND OPERATIONS

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT

Appropriations, 2012	\$133,159,000
Budget estimate, 2013	134,150,000
Committee recommendation	133,351,000

The Office of the Secretary and Executive Management supports the Department by providing direction, management, and policy guidance to operating components. The specific activities funded by this account include: the Immediate Office of the Secretary; the Immediate Office of the Deputy Secretary; the Office of the Chief of Staff; the Office of the Executive Secretary; the Office of Policy; the Office of Public Affairs; the Office of Legislative Affairs; the Office of the General Counsel; the Office for Civil Rights and Civil Liberties; the Citizenship and Immigration Services Ombudsman; the Office of Intergovernmental Affairs; and the Privacy Office.

COMMITTEE RECOMMENDATION

The Committee recommends \$133,351,000 for the Office of the Secretary and Executive Management, \$192,000 above the fiscal year 2012 level and \$799,000 below the request level. Reductions below the request taken to select offices are due to a high level of staffing vacancies. The recommendation includes requested reductions for efficiencies, contract support, and administrative savings. The Committee includes the requested programmatic increases for the Office for Civil Rights and Civil Liberties [OCRCL], including \$1,327,000 for OCRCL to ensure that the Department's immigration efforts comply with all applicable civil rights statutes and constitutional requirements. The Committee directs that a briefing be provided not later than 30 days after the OCRCL completes the initial review of Secure Communities, 287(g), and other programs, including its findings and recommendations. This briefing should be conducted jointly by OCRCL and ICE officials.

The Committee denies the budget proposal to create separate budget line items for the Office of International Affairs, the Office of State and Local Law Enforcement, and the Private Sector Office, which are all currently funded within the Office of Policy. The Department has not supplied the Committee with a compelling rationale for why these offices need to be stand alone entities within the Office of the Secretary and Executive Management and these functions have been performed adequately within the Office of Policy.

The Committee is aware that funding was discontinued for a historian to maintain a historical record of the Department. The Sec-

retary is encouraged to fill such a position from funds provided in this act.

The specific levels recommended by the Committee as compared to the fiscal year 2012 and budget request levels are as follows:

OFFICE OF THE SECRETARY AND EXECUTIVE MANAGEMENT
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Immediate Office of the Secretary	5,000	4,295	4,295
Immediate Office of the Deputy Secretary	1,918	2,387	2,100
Office of the Chief of Staff	2,300	2,498	2,300
Office of Counternarcotics Enforcement	1,800	.....	.....
Executive Secretary	8,100	7,993	7,993
Office of Policy	40,000	33,678	² 44,322
Office of Public Affairs	5,800	5,966	5,800
Office of Legislative Affairs	6,000	6,041	6,041
Office of Intergovernmental Affairs	2,650	2,648	2,500
Office of General Counsel	22,400	21,947	21,947
Office for Civil Rights and Civil Liberties	22,500	21,716	21,716
Citizenship and Immigration Services Ombudsman	6,200	5,950	5,950
Privacy Officer	8,491	8,387	8,387
Office of International Affairs	(¹)	8,001	.....
Office of State and Local Law Enforcement	(¹)	892	.....
Private Sector Office	(¹)	1,751	.....
Total, Office of the Secretary and Executive Management ...	133,159	134,150	133,351

¹ Funded under the Office of Policy.

² Includes funds for the Office of International Affairs, Office of State and Local Law Enforcement, and the Private Sector Office.

EVOLVING THREATS

The demands on the Department of Homeland Security continue to grow as the threats from terrorism persistently evolve. Whether it is homegrown terrorism; cyber intrusions; semi-submersibles; biological, chemical, or nuclear attacks; food tampering; surgically implanted explosives; animal diseases; or varying locations and means for crossing our borders (such as tunnels), the Department must be able to respond and adapt swiftly to interdict these threats at the earliest point possible. Further, naturally occurring events put our Nation at risk. Storms are growing more frequent and larger and earthquakes threaten major population areas, posing a risk to critical infrastructure. Within 90 days after the date of enactment of this act and periodically thereafter, DHS is to brief the Committee on how it is applying its resources to address these evolving threats.

COORDINATION OF FEDERAL CHEMICAL SECURITY EFFORTS

The National Protection and Programs Directorate's Office of Infrastructure Protection and the Coast Guard are to complete the planned Memorandum of Understanding [MOU] to harmonize chemical security responsibilities established by Chemical Facilities Anti-Terrorism Standards regulations and Maritime Transportation Security Act regulatory programs immediately. Congress directed this MOU to be completed no later than March 30, 2012, but that agreement has not been finalized. The Deputy Secretary is directed to continue semi-annual reporting to the Committee on these matters as directed in fiscal year 2012.

REAL ID

The Committee directs the Office of Policy to submit the report on Real ID required by Senate Report 112–74 immediately.

OSEM EXPENDITURE PLANS

The Committee directs the Office of Policy, the Office of Intergovernmental Affairs, the Office for Civil Rights and Civil Liberties, the Office of Citizenship and Immigration Services Ombudsman, and the Privacy Officer each to submit an expenditure plan for fiscal year 2013 not later than 60 days after the date of enactment of this act. Each plan shall include details on: staffing by programmatic function area, expenses, contracts, obligations, funds by sub-offices (if appropriate), and how resources are aligned to specific activities and initiatives in fiscal year 2013.

USER FEES

The Committee directs the Secretary to continue quarterly updates on user fees as originally directed in the conference report accompanying Public Law 111–83.

DEPARTMENTAL INTEGRITY EFFORTS

The Committee is pleased with the work that has been done to solidify the investigative relationship between the OIG and CBP regarding corruption investigations. The Committee directs the Deputy Secretary, jointly with the OIG, CBP, and ICE, to submit a report, not later than 60 days after the date of enactment of this act, outlining the specific steps being taken to further address the process for investigating cases of corruption of DHS employees, and outline the plan to address, as a unified DHS, the engagement of DHS with the Department of Justice’s Border Corruption Task Forces.

COMPACT OF FREELY ASSOCIATED STATES

Pursuant to the Compact of Free Association Act of 1985 (Public Law 99–239), and continued under the Compact of Free Association Amendments Act of 2003 (Public Law 108–188), citizens of the Freely Associated States [FAS] are accorded the privilege of traveling and residing in the United States without a limit. Although the Compact and accompanying statutes clearly state, “it is not the intent of the Congress to cause any adverse consequences for an affected jurisdiction,” pressing medical and social needs of FAS migrants are imposing considerable economic costs on a small number of jurisdictions within the United States.

The Department is directed to promulgate regulations governing admission and residency of FAS migrants. The Department shall also continue its work within the National Security Council Interagency Policy Committee on Freely Associated State Affairs to implement its action plan to reduce the impact of FAS migration on Federal, State, local, and territorial governments, particularly those in affected jurisdictions.

RECEPTION AND REPRESENTATION EXPENSES

Within the total amount recommended for the Office of the Secretary and Executive Management, up to \$45,900 is included for reception and representation expenses. The Department is directed to submit quarterly reports to the Committee listing obligations for all DHS reception and representation expenses by purpose and dollar amount, at a level of detail provided in fiscal year 2011 and 2012, or in greater detail if that is required to explain how funds were used. In recognition of a more constrained budget environment and to limit opportunities for waste and abuse, the Committee reduced the limitation on spending for reception and representation expenses for official purposes Department-wide by 15 percent for fiscal year 2012 and includes a further 10-percent reduction in the limitation of these expenses for fiscal year 2013.

OVERHEAD COSTS

Federal agencies have been directed by Executive Order 13589 to plan for reducing the combined costs of certain activities by not less than 20 percent below fiscal year 2010 levels in fiscal year 2013. The Department should continue to seek to reduce operating expenses by placing greater scrutiny on overhead costs. Savings might be achieved by further reducing nonessential travel, office supply, rent, and utility costs. The Committee directs the Department to submit a plan to reduce such costs within 60 days after the date of enactment of this act.

DETAILEE REPORT

The Committee requires the Department to submit an annual report on detailees with the budget request for fiscal year 2014. The format of this submission shall be in accordance with the revised guidance set forth in Senate Report 110-84.

FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS

The Department is directed to report semi-annually to the Committee on the current projects tasked to Federally Funded Research and Development Centers [FFRDCs], the funding obligated by component, including the purposes for the funds, and any projects completed in the prior 6-month period, with the first report due February 15, 2013. Reports for prior years were submitted well after the required due dates and failed to fully describe individual projects and the purpose they served. The Committee expects more robust project descriptions of individual projects and a more timely submission.

RESEARCH AND DEVELOPMENT PORTFOLIO REVIEWS

The Committee understands that the Science and Technology [S&T] Directorate established an effective review process for its own research and development portfolio to ensure that projects selected for funding are those that will have the greatest impact and opportunity for transition to operational use. This type of review would be of great value to coordinate research and development work and related efforts across the Department. To ensure a coordinated approach to research and development and related activi-

ties in the Department, the Committee directs the Secretary, through the Under Secretary for Science and Technology, to establish a review process similar to the S&T review process for all research and development and related work within DHS. In addition to direct research and development, the review should include operational analysis (documenting and resolving component capability gaps including any modeling and simulation funding to better understand where gaps reside in a component's mission space, the improvement of concepts of operations, etc.); technology improvement (any incremental upgrade to currently deployed technology); spiral development (resources devoted towards iterative processes such as software development involving the continual refinement of technology); and product development (any funding for new technology or knowledge products). S&T shall brief the Committees on this effort no later than 120 days after the date of enactment of this act.

CYBERSECURITY

In the Joint Explanatory Statement accompanying the Department of Homeland Security Appropriations Act, 2012, the Deputy Secretary, jointly with the Deputy Secretary of Defense was directed to submit a report on the benefits of establishing a National Guard cybersecurity team and/or an equivalent civilian team by May 1, 2012. The report shall be submitted without delay. The Committee expects DHS to continue coordination with the National Guard, particularly with regard to assessments of DHS and National Guard capabilities, and composition of the cyber operations workforce, including civilian acquired skills.

PORT SECURITY TRAINING PROGRAM

The Committee is concerned that the Department has not yet implemented section 821 of the Coast Guard Authorization Act of 2010 (Public Law 111-281) to enhance and upgrade Federal waterfront facility security officer [FSO] training and lead to the Federal certification of FSOs. Implementation will help harmonize security training at marine terminals. The Committee directs DHS and the Coast Guard to move forward with all deliberate speed to issue these new national training requirements.

GLOBAL POSITIONING SYSTEM [GPS] INTERFERENCE

The Committee is concerned about the security threat that interference, jamming, or spoofing of GPS could have on the aviation system, first responder network, and border security and the capacity to detect and analyze the nature of interruptions. The Committee recognizes that the Department is evaluating approaches that rely on adoption of new hardware on a nationwide scale that would not be available for several years, and urges the Secretary to compare this effort to approaches that rely upon existing hardware already in place nationwide that would provide the capacity in the near-term through the development of pilot projects leading to a broader nationwide detection system.

NONIMMIGRANT VISA RULEMAKING

The Committee is aware that the Department of Justice is in the process of issuing new rules allowing nonimmigrants who enter the United States through the Visa Waiver Program to legally purchase and possess firearms in the United States. The Committee urges the Secretary of Homeland Security to work with the Attorney General to develop safeguards to protect the national security and public safety interests of the United States.

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

Appropriations, 2012	\$235,587,000
Budget estimate, 2013	221,771,000
Committee recommendation	220,270,000

The Under Secretary for Management oversees management and operations of the Department, including procurement and acquisition, human capital, and property management. The specific activities funded by this account include the Immediate Office of the Under Secretary for Management, the Office of the Chief Security Officer, the Office of the Chief Procurement Officer, the Office of the Chief Human Capital Officer, and the Office of the Chief Administrative Officer.

COMMITTEE RECOMMENDATION

The Committee recommends \$220,270,000 for the Office of the Under Secretary for Management, \$1,501,000 below the amount requested and \$15,317,000 below the amount enacted in fiscal year 2012. The Committee’s recommendation includes funding for robust oversight of major acquisitions, recruitment and development of a skilled workforce, and security measures to safeguard DHS personnel, property, facilities, and information. The Committee supports the one-DHS concept, which can only be executed when such missions are appropriately funded. Effective government is not accomplished through excessive funding cuts for these essential capabilities. Unless specifically addressed in this report, reductions taken to individual offices below the request are due to a constrained budget environment and to focus limited resources on the Department’s critical operational missions.

The specific levels recommended by the Committee, as compared to the fiscal year 2012 and budget request levels, are as follows:

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Immediate Office of the Under Secretary for Management	2,550	3,112	3,112
Office of Security	70,000	69,258	69,258
Office of the Chief Procurement Officer	78,000	73,176	73,176
Office of the Chief Human Capital Officer:			
Salaries and Expenses	25,165	25,971	24,971
Human Resources Information Technology Program	14,172	9,689	9,689
Office of the Chief Administrative Officer:			
Salaries and expenses	40,700	35,117	34,616
Nebraska Avenue Complex	5,000	5,448	5,448

OFFICE OF THE UNDER SECRETARY FOR MANAGEMENT—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Total, Office of the Under Secretary for Management	235,587	221,771	220,270

COMPREHENSIVE AND QUARTERLY ACQUISITION STATUS REPORTS

The Committee is displeased with the inability of the Department to provide timely information related to its major acquisition programs, especially since the information requested is already required by the Department as part of its own acquisition oversight process. The statutorily required Acquisition Status Report for fiscal year 2012 is over 3 months past due.

In order to obtain the information necessary for in-depth congressional oversight, statutory language is included in this act that requires a Comprehensive Acquisition Status Report to be included as part of the submission of the President's fiscal year 2014 budget, with quarterly updates to be submitted 30 days after the completion of each quarter. The requirements for both reports are addressed below. A general provision is included withholding funds from the Office of the Under Secretary for Management until this and other spend plans are submitted to the Committee.

The Comprehensive Acquisition Status Report shall include programs identified for Major Acquisition Oversight as defined in the Department memorandum titled "Department of Homeland Security Major Acquisition Oversight List" dated January 25, 2011, and programs that have been classified for major acquisition oversight subsequent to the referenced memorandum. The Comprehensive Acquisition Status Report shall include for each major acquisition:

- A narrative description to include current gaps and shortfalls, the capabilities to be fielded, and the number of planned increments and/or units;
- Acquisition Review Board (or other board designated to review the acquisition) status of each acquisition, including the current acquisition phase, the date of the last review and a listing of the required documents that have been reviewed with the dates reviewed and/or approved;
- The most current approved Acquisition Program Baseline (to include project schedules and events);
- A comparison of the original Acquisition Program Baseline, the current Acquisition Program Baseline, and the current estimate;
- Whether or not an Independent Verification and Validation has been implemented, with an explanation for the decision and a summary of any findings;
- A rating of cost risk, schedule risk, and technical risk associated with the program (including narrative descriptions and mitigation actions);
- Contract status (to include earned value management data as applicable);
- A life-cycle cost of the acquisition and time basis for the estimate;

- A planned procurement schedule, including the best estimate of the annual cost and increments/units to be procured annually until procurement is complete;
- A table delineated by appropriation that provides (for prior years; past year; current year; budget year; budget year plus one; budget year plus two; budget year plus three; budget year plus four and beyond; and total cost) the actual or estimated appropriations, obligations, unobligated authority, and planned expenditures;
- The reason for any significant changes (from the previous comprehensive report) in acquisition quantity, cost, or schedule;
- Key Events/Milestones from the prior fiscal year; and
- Key Events/Milestones for the current fiscal year.

Quarterly reports shall include:

- An updated status report on any major acquisition for which there has been an approved or a new acquisition program baseline, a new acquisition decision memorandum, or where there has been significant deviation from the prior report with respect to acquisition cost, quantity, or schedule (a significant change is any deviation in cost or quantity that exceeds 8 percent or any change in schedule that exceeds 6 months).
- A table depicting the title of the program, quantity and cost based on the original Acquisition Program Baseline, quantity and cost based on the most current acquisition program baseline, the quantity and cost of the most current estimate, and the explanation for any change in quantity and cost from prior reports.
- If applicable, a copy of the acquisition decision memorandum, together with a copy of the Letter of Assessment signed by the Director of Testing and Evaluation.

FRONT END TECHNOLOGY ASSESSMENT

The Science and Technology Directorate has established an effective test and evaluation process for DHS major acquisitions. The test and evaluation takes place near the end of the acquisition process, after technology solution decisions have been made. The Committee believes the quality and successful application of new technology would benefit greatly from a more robust technology assessment of alternatives on the “front end” of an acquisition. The Under Secretary for Management and the Under Secretary for Science and Technology are to develop a plan for a formal technology assessment of alternatives for all non-IT technology acquisitions and brief the Committee on the plan within 6 months after the date of enactment of this act.

OVER-RELIANCE ON CONTRACTORS

The estimated number of contractors providing services in support of various DHS programs is 110,000 compared to approximately 230,000 Federal employees. According to the Department’s congressional justification, “The Quadrennial Homeland Security Review and the Bottom-Up Review have both confirmed a critical need to balance the DHS workforce by ensuring strong Federal control of all DHS work and reducing reliance on contractors.” As of September 2011, the Department has eliminated nearly 3,689 con-

tractor positions, of which 2,771 were converted into new Federal jobs. The estimated savings associated with this effort is \$28,000,000. The Committee supports the Department's continued efforts to convert contractor positions to Federal jobs through its Balanced Workforce Initiative and the Office of the Chief Human Capital Officer [OCHCO]-managed program office leading the Department's efforts to examine the appropriate workforce best suited to meet mission needs. The Committee also recognizes this is an evolving and continuous process, but progress and projected milestones are necessary to judge the success of these efforts. Therefore, the Committee directs the Department to submit a report by January 15, 2013, on the Department's balanced workforce strategy, including numbers of insourcing or outsourcing decisions by component for fiscal years 2009–2012, associated savings resulting from those decisions, and sourcing plans for fiscal year 2013 and fiscal year 2014.

HUMAN RESOURCES SERVICING

In 2011, based on concerns raised by the Office of Personnel Management, the Human Resources Management and Services [HRMS] Delegating Examining Authority was withdrawn from the Department's HRMS division. Concerns were raised about the office's ability to comply with regulatory requirements in its recruitment and staffing missions. The Committee is aware of an ongoing independent assessment being conducted of HRMS to determine the root causes for these concerns and make recommendations for improvement. The OCHCO is to brief the Committee on the results of this assessment no later than 30 days after its completion. The Committee expects DHS to not only improve its performance in providing human resources services, it shall streamline the process to make these services more efficient. Therefore, a reduction of \$1,000,000 below the President's request is recommended.

HEADQUARTERS CONSOLIDATION

Pursuant to section 549, a total of \$89,000,000 is provided for "Office of the Under Secretary for Management" for costs associated with headquarters consolidation and mission support consolidation. The Under Secretary shall submit an expenditure plan no later than 90 days after the date of enactment of this act detailing how these funds will be allocated, including a revised schedule and cost estimates for headquarters consolidation. Quarterly briefings are required on headquarters and mission support consolidation activities, including any deviation from the expenditure plan. According to the Department, an updated plan is being developed in coordination with the General Services Administration to complete the headquarters consolidation project in smaller, independent segments that are more fiscally manageable in the current budget environment. The Department expects this updated plan to be completed by the end of summer 2012 and it is to be submitted to the Committee upon its completion. The Committee expects the plan to identify the discrete construction segments, the associated resource requirements for each segment, and the proposed timeline for requesting funding to complete each segment.

CHILD CARE SERVICES

Due to delays in the development of the consolidated headquarters at the St. Elizabeths campus in Washington, DC, the Nebraska Avenue Campus [NAC] will continue to serve as the headquarters facility for DHS and the location for mission support functions for several years to come. Given this reality and the fact that a child care center was planned for the St. Elizabeths campus, the Department is to consider establishing a child care facility at the NAC to support the 2,300 men and women employed there. The Chief Administrative Officer shall brief the Committee no later than 90 days after the date of enactment of this act on the feasibility of establishing a child center at the NAC.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriations, 2012	\$50,860,000
Budget estimate, 2013	55,414,000
Committee recommendation	53,714,000

The Office of the Chief Financial Officer is responsible for the fiscal management and financial accountability of the Department of Homeland Security. The Office of the Chief Financial Officer provides guidance and oversight of the Department’s budget execution while ensuring that funds are allocated and expended in accordance with relevant laws and policies. This account funds the Budget Division, Office of Financial Operations, Office of Performance Analysis and Evaluation, Office of Financial Management, Resource Management Transition Office, and the Office of the Government Accountability Office/Office of Inspector General Audit Liaison.

COMMITTEE RECOMMENDATION

The Committee recommends \$53,714,000 for the Office of the Chief Financial Officer [OCFO], an increase of \$2,854,000 above the fiscal year 2012 level and \$1,700,000 less than the budget request.

FINANCIAL SYSTEMS MODERNIZATION

The Committee recognizes the Department’s need to improve the reliability and transparency of its financial data, and directs DHS to maintain frequent communications with the Committee on financial management improvement plans necessary to support the Department’s missions. Following the Department’s decision to cancel acquisition plans for the Transformation and Systems Consolidation [TASC] project, DHS plans to target components with immediate financial systems modernization needs and provide a solution that is already operational at other Federal agencies. The Department has funded an independent assessment to evaluate if this new approach to financial management system modernization meets the DHS goal of obtaining accurate and timely financial reporting. The OCFO is to brief the Committee on the results of this review no later than July 31, 2012.

With regard to component specific solutions, the Committee is aware of Analyses of Alternatives being conducted by the Coast Guard and ICE to improve their core financial systems. The OCFO,

in tandem with the Coast Guard and ICE, are to brief the Committee on the preferred solutions before funds can be obligated to initiate improvement efforts. The briefing is to include total resource requirements by fiscal year and a timeline for implementation with discrete milestones.

BUDGET EXECUTION AND STAFFING REPORT

The Committee includes bill language requiring the Department to continue to submit to the House and Senate Committees on Appropriations a monthly budget execution report showing the status of obligations and costs for all components of the Department and on-board staffing levels (Federal employees and contractors). The report shall include the total obligational authority appropriated (new budget authority plus unobligated carryover), undistributed obligational authority, amount allotted, current year obligations, unobligated authority (the difference between total obligational authority and current year obligations), beginning unexpended obligations, year-to-date costs, and ending unexpended obligations. This budget execution information is to be provided at the level of detail shown in the tables displayed at the end of this report for each departmental component and the Working Capital Fund. This report shall be submitted no later than 45 days after the close of each month.

EXPENDITURE PLANS

The Committee continues requiring expenditure plans for specific DHS programs. These plans are intended to provide Congress with information to effectively oversee a particular program and hold the Department accountable for program results. Expenditure plans required by the Committee shall include, at a minimum: a description of how the plan satisfies any relevant legislative conditions for the expenditure plan; planned capabilities and benefits; cost and schedule commitments; measures of progress against commitments made in previous plans; how the program is being managed to provide reasonable assurance that the promised program capabilities, benefits, and cost and schedule commitments will be achieved; historical funding for the program, if applicable; and an obligation and outlay schedule.

The Department has failed to deliver or deliver on time a number of statutorily required fiscal year 2012 expenditure plans, which are essential for Congress to provide proper oversight of DHS programs. These plans also instill fiscal discipline within the Department and the relevant component by ensuring the development of a comprehensive strategy for the expenditure of funds early in the fiscal year that will then be followed throughout the year. Plans that have not been provided to the Committee for fiscal year 2012 include the Coast Guard's Capital Investment Plan; Office of the Chief Information Officer multiyear investment and management plan; and the Border Security Fencing, Infrastructure, and Technology multiyear investment and management plan. For fiscal year 2013, a general provision is included withholding 59 percent of funds from the Office of the Secretary and Executive Management, Under Secretary for Management and the Office of

the Chief Financial Officer until all statutorily required expenditure plans are submitted on time.

ANNUAL BUDGET JUSTIFICATIONS

The Chief Financial Officer is directed to ensure that fiscal year 2014 budget justifications for classified and unclassified budgets of all Department components are submitted on February 4, 2013, concurrent with the President's budget submission to Congress. The justifications shall include:

- Detailed data and explanatory descriptions for each appropriations request, and for each PPA reflected in the table accompanying this statement, including offices that have been identified as PPAs. Information regarding actual and planned accomplishments should be in quantifiable terms and demonstrate a direct relationship to funding;
- Tables that reflect actual and estimated funding by PPA for fiscal years 2013 and 2014; identify each increase, decrease, transfer, and staffing change proposed in fiscal year 2014; and explain such year-to-year changes in terms that are clear and unambiguous, and exclude nonspecific terms such as “technical adjustment” or “administrative savings” unless accompanied by a detailed explanation. To establish a common baseline reference, the fiscal year 2013 discretionary data shall tie to the fiscal year 2013 discretionary total in the table accompanying this statement or have a table identifying each change. Explanations of adjustments to base funding, whether increases or decreases, should be specific, and programmatic changes and initiatives should be clearly identified and justified;
- For each PPA that is comprised of acquisition and procurement activity, the justification should address all proposed spending using a zero-based budget description;
- Information by appropriations account and PPA on all reimbursable agreements and significant uses of the Economy Act for each fiscal year;
- A detailed table identifying the last year that authorizing legislation was enacted into law for each PPA, including the amount of the authorization and the appropriation in the last year of authorization;
- The text and citation of all Department appropriations provisions enacted to date that are permanent law;
- Explanations and justifications for all proposed legislative language changes, whether they are new or amend existing law, whether they are substantive or technical in nature, with an annotated comparison of proposed versus existing language; and
- A report on the status of overdue Committee reports, plans, and briefings for each of fiscal years 2012 and 2013.

FUTURE YEARS HOMELAND SECURITY PROGRAM

Consistent with section 874 of Public Law 107–296, the Department shall submit a Future Years Homeland Security Program budget as part of the fiscal year 2014 budget justification. The report is to display funding by appropriation account and subordinate program, project, or activity. Further the report is to provide a 5-

year capital investment plan for all major acquisitions. The report shall be in unclassified form so as to be accessible to the general public. Having a forward-looking budget forecast provides a reasonable understanding of future program and acquisition needs and the proportionate resources needed to execute the Department's mission of protection and defense of the homeland, as well as emergency planning and response.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriations, 2012	\$257,300,000
Budget estimate, 2013	312,643,000
Committee recommendation	247,846,000

The Office of the Chief Information Officer is responsible for oversight of information technology [IT] development, oversight of IT acquisition, alignment of IT systems and infrastructure to the enterprise architecture to support the missions and activities of the Department.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$247,846,000, of which \$120,670,000 is for salaries and expenses, and \$127,176,000 is to be available through fiscal year 2015 for Department-wide technology investments overseen by the Office of the Chief Information Officer [OCIO]. The recommendation is equal to the level proposed in the budget request (including \$64,797,000 provided for data center migration in a general provision).

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

OFFICE OF THE CHIEF INFORMATION OFFICER
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Salaries and expenses	105,500	120,670	120,670
Information technology services	38,800	28,002	28,002
Infrastructure and security activities	69,000	121,839	¹ 57,042
Homeland security data network	44,000	42,132	42,132
Total, Office of the Chief Information Officer	257,300	312,643	¹ 247,846

¹ \$64,797,000 is included in a general provision for data center migration.

MULTIYEAR INVESTMENT PLAN

The Committee includes bill language requiring a multiyear investment plan be submitted to the Committees on Appropriations with the fiscal year 2014 budget submission to Congress. The Committee is displeased that the investment plan for fiscal year 2012 has not been submitted and expects improved performance on the timeliness of this report. As the OCIO develops the fiscal year 2013 plan, it shall take proper stock of all IT investments and identify and adopt best practices, such as those identified by GAO in an October 2011 report, GAO-12-7, to encourage proper management of these investments.

INFRASTRUCTURE AND SECURITY ACTIVITIES

The Committee recommendation includes \$57,042,000, for development and acquisition of information technology equipment, software, services, and related activities. The Committee believes the OCIO leads and manages efforts vital to the continued modernization of the Department's information technology infrastructure. Additionally, \$64,797,000 is provided for data center consolidation in a general provision.

The Committee is pleased with the Department's leadership in data center consolidation. The Committee agrees with the Department's position that these efforts will lead to operational efficiencies, reduced geographic footprint, data sharing synergies, reduced energy consumption, and clarity of mission throughout the Department. The Department reports that investment in data center consolidation will result in nearly \$3,000,000,000 in savings by 2030.

Consistent with section 888 of Public Law 107-296, the Committee instructs the Department to implement the consolidation plan in a manner that shall not result in a reduction to the Coast Guard's Operations Systems Center mission or its Government-employed or contract staff levels. A general provision is included for this purpose.

HSPD-12/ONENET

Given the significant investment that will be required to transition the Department to logical access as required by Homeland Security Presidential Directive-12, the Committee directs the Department to submit an implementation plan that includes estimated costs and deployment milestones by component no later than January 15, 2013. The Department is directed to continue to provide quarterly briefings to the Committee on the progress to implement OneNet and migrate to Networx.

HUMAN RESOURCES INFORMATION TECHNOLOGY

The Department has struggled in several areas with improving and standardizing the information technology systems that support its core functions, both the operations of those functions and data reporting on those functions. As the Department moves forward with planning and business case analyses for human capital information technology improvements, the Committee expects to be kept informed of major decisions. The OCHCO and Chief Information Officer are to brief the Committee semi-annually on the acquisition strategy, development schedule, and milestones for human capital information technology.

SOFTWARE INVENTORY

The Committee encourages the Department's Chief Information Officer to perform periodic automated inventories of software in use across the Department. The Department should compare those usage numbers to its purchased licenses and seek to increase efficiency wherever it identifies discrepancies. The Department is to consider using this information to obtain Department-wide acquisitions as opposed to Component-specific purchases of licenses. The

OCIO shall brief the Committee on the results of these reviews within 180 days after the date of enactment of this act.

ANALYSIS AND OPERATIONS

Appropriations, 2012	\$338,068,000
Budget estimate, 2013	321,982,000
Committee recommendation	323,782,000

The account supports activities to improve the analysis and sharing of threat information, including activities of the Office of Intelligence and Analysis [I&A] and the Office of Operations Coordination.

COMMITTEE RECOMMENDATION

The Committee recommends \$323,782,000 for Analysis and Operations. This is a decrease of \$14,286,000 below the fiscal year 2012 level and an increase of \$1,800,000 above the budget request. The details of these recommendations are included in a classified annex accompanying this report. A general provision is included in the bill rescinding \$1,800,000 of prior year balances.

DHS INTELLIGENCE EXPENDITURE PLAN

The Committee requires the Department’s Chief Intelligence Officer to submit an expenditure plan for fiscal year 2013 no later than 60 days after the date of enactment of this act.

The plan shall include the following:

- fiscal year 2013 expenditures and staffing allotted for each program as compared to fiscal years 2012 and 2011;
- all funded versus on-board positions, including Federal FTE, contractors, and reimbursable and nonreimbursable detailees;
- a plan, including dates or timeframes for achieving key milestones;
- allocation of funding within each PPA for individual programs;
- funding, by object classification, including a comparison to fiscal years 2012 and 2011; and
- the number of I&A-funded employees supporting organizations outside I&A and within DHS.

The expenditure plan shall focus the activities of the Office on areas where the Department can provide unique expertise or serve intelligence customers who are not supported by other components of the Intelligence Community, consistent with current statute and Executive orders, and in a way that does not impair intelligence support to the senior leadership of the Department of Homeland Security.

STATE AND LOCAL FUSION CENTERS

The Committee directs I&A to continue semi-annual briefings on the State and Local Fusion Centers program.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2012 ¹	\$117,000,000
Budget estimate, 2013	143,664,000
Committee recommendation ¹	122,664,000

¹ Excludes \$24,000,000 made available from the FEMA Disaster Relief Fund.

This account finances the Office of Inspector General's activities, including audits, inspections, investigations, and other reviews of programs and operations of the Department of Homeland Security to promote economy, efficiency, and effectiveness and to prevent and detect fraud, waste, and abuse.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$122,664,000 for the Office of Inspector General [OIG] for fiscal year 2013, \$5,664,000 above the fiscal year 2012 level and \$3,000,000 above the comparable budget request. In addition, the Committee includes bill language transferring \$24,000,000 needed by the OIG for audits and investigations related to natural disasters from the Disaster Relief Fund [DRF]. The OIG is required to notify the Committee in the department's monthly budget execution reports of the transfers from the DRF. Included in the recommendation are increased resources for integrity oversight and investigations. The Committee directs the Inspector General to submit a plan for expenditure of all funds no later than 90 days after the date of enactment of this act. The recommendation includes the increase requested to complete all 56 mandated 9/11 Commission Act audits of DHS' State Homeland Security Program and Urban Area Security Initiative grants by the August 20, 2014, deadline. The Committee is concerned that the current organization of the OIG may not allow for adequate independence for the inspections and evaluations function, and that the lines of reporting across the organization may not be sufficient to ensure that information flows in a timely and complete manner to leadership.

INTEGRITY OVERSIGHT

The Committee has been concerned, due to the rapid hiring in CBP and ICE since fiscal year 2005, that there is the potential for increased corruption. To avoid corruption and misconduct, it is imperative that all agents, especially new hires, receive comprehensive training in ethics and public integrity. The OIG provides ethics training to all agencies and is in charge of investigating all allegations of criminal misconduct throughout the Department. It is essential that the OIG, CBP, and ICE work jointly and cooperatively to combat corruption. Recent incidents serve to highlight the continued need for integrity oversight. The Committee has made a deliberate effort in the past several appropriations bills to provide additional funding specifically for integrity investigations. Within the total funding recommended, the Committee provides the OIG an increase of no less than \$3,000,000 for integrity investigations. The fiscal year 2013 Expenditure Plan should identify the total funds dedicated to integrity investigations and their intended purpose.

TITLE II
SECURITY, ENFORCEMENT, AND INVESTIGATIONS
U.S. CUSTOMS AND BORDER PROTECTION
SUMMARY

U.S. Customs and Border Protection is responsible for enforcing laws regarding admission of foreign-born persons into the United States, and ensuring that all goods and persons entering and exiting the United States do so legally.

COMMITTEE RECOMMENDATIONS

The Committee recommends total resources of \$11,972,976,000, including direct appropriations of \$10,454,060,000 and estimated fee collections of \$1,518,916,000.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

U.S. CUSTOMS AND BORDER PROTECTION—FUNDING SUMMARY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Appropriations:			
Salaries and expenses	8,680,118	¹ 9,010,581	8,769,870
Automation modernization	334,275	327,526	327,526
Border Security Fencing, Infrastructure, and Technology [BSFIT]	400,000	327,099	327,099
Air and Marine interdiction, operations, maintenance, and procurement	503,966	435,769	506,766
Construction and facilities management	236,596	243,666	243,666
US-VISIT		(¹)	279,133
Total, Appropriations	10,154,955	10,344,641	10,454,060
Estimated fee collections:			
Immigration inspection user fee	527,629	568,790	568,790
Immigration enforcement fines	1,041	1,093	1,093
ESTA	44,524	46,318	46,318
Land border inspection fee	28,909	35,935	35,935
COBRA fee	411,937	419,352	419,352
APHIS inspection fee	323,000	329,000	329,000
Global entry user fee	2,615	13,743	13,743
Puerto Rico Trust Fund	91,779	96,367	96,367
Small airport user fee	8,167	8,318	8,318
Total, Estimated fee collections	1,439,601	1,518,916	1,518,916
Total, U.S. Customs and Border Protection, available funding	11,594,556	11,863,557	11,972,976

¹ Funding of \$261,523,000 proposed under U.S. Customs and Border Protection, "Salaries and Expenses".

SALARIES AND EXPENSES

Appropriations, 2012	\$8,680,118,000
Budget estimate, 2013	¹ 9,010,581,000
Committee recommendation	8,769,870,000

¹ Includes requested funding of \$261,523,000 for US-VISIT.

The U.S. Customs and Border Protection [CBP] Salaries and Expenses appropriation provides funds for border security, immigration, customs, agricultural inspections, regulating and facilitating international trade, collecting import duties, and enforcing U.S. trade laws. In addition to directly appropriated resources, fee collections are available for the operations of CBP from the following sources:

Immigration Inspection User Fee.—CBP collects user fees to fund the costs of international inspections activities at airports and seaports, as authorized by the Immigration and Nationality Act (8 U.S.C. 1356).

Electronic System for Travel Authorization Fee.—CBP collects fees to cover the cost of operating and implementing a system to pre-screen visitors from countries participating in the Visa Waiver Program prior to their arrival in the United States to avoid security risks, as authorized by section 711(h)(3)(B) of the 9/11 Act (Public Law 110–53).

Immigration Enforcement Fine.—CBP collects fines from owners of transportation lines and persons for unauthorized landing of aliens, as authorized by the Immigration and Nationality Act (8 U.S.C. 1356).

Land Border Inspection Fee.—CBP collects fees for processing applications for the Dedicated Commuter Lanes program, the Automated Permit Ports program, the Canadian Border Boat Landing program, and both Canadian and Mexican Non-Resident Alien Border Crossing Cards, as authorized by the Immigration and Nationality Act (8 U.S.C. 1356).

Consolidated Omnibus Budget Reconciliation Act [COBRA] Fee.—CBP collects fees for inspection services involving customs-related functions. The COBRA user fee statutory authority (19 U.S.C. 58c) specifies the types of expenses to be reimbursed and the order for the reimbursement of these types of expenses.

Animal and Plant Health Inspection Service Inspection Fee.—CBP receives as a transfer a distribution of agriculture inspection fees collected by the United States Department of Agriculture. The user fees, as authorized by the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136), are charged to offset costs for the services related to the importation, entry, or exportation of animals and animal products.

Global Entry User Fee.—CBP collects fees to cover the cost of a registered traveler program to expedite screening and processing of international passengers as authorized under the Consolidated Appropriations Act of 2008, section 565(3)(B).

Puerto Rico Trust Fund.—Customs duties, taxes, and fees collected in Puerto Rico by CBP are deposited in the Puerto Rico Trust Fund. After providing for the expenses of administering CBP activities in Puerto Rico, the remaining amounts are transferred to

the Treasurer of Puerto Rico pursuant to 48 U.S.C. sections 740 and 795.

Small Airport User Fee.—The User Fee Airports Program authorized under 19 U.S.C. 58b and administered under 19 U.S.C. 58c(b)(9)(A)(i), authorizes inspection services to be provided to participating small airports on a fully reimbursable basis. The fees charged under this program are set forth in a memorandum of agreement between the small airport facility and the agency, and may be adjusted annually as costs and requirements change.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$8,769,870,000 for salaries and expenses of U.S. Customs and Border Protection [CBP] for fiscal year 2013, including \$3,285,000 from the Harbor Maintenance Trust Fund. The Committee includes bill language making available up to \$150,000 for payment for rental space for preclearance operations and \$1,000,000 for payments to informants. The Committee also includes bill language placing a \$35,000 annual limit on overtime paid to any employee.

The Committee does not include the following increases requested within the budget: \$3,000,000 for financial and budgetary systems and \$2,218,000 for other international programs. The Committee also denies the proposed reduction in the budget of \$7,030,000 for air and marine staffing. Continuation of this funding will maintain funding for front-line pilots and boat captains to ensure adequate personnel to avoid operational losses.

Increases above the request for officer integrity and travel facilitation are discussed later in this report.

FUNDING PRIORITIES

As CBP is a “personnel heavy” agency, it is understandable that difficult choices have to be made when developing the budget request in an era of declining resources. However, as these choices are made in the short term, we must take into account their long-term consequences. As presented, the budget is focused on maintaining frontline operations—especially people. However, the people on the frontlines are only as good and effective as the systems they have supporting them. The budget proposes a total of \$342,000,000 in so-called “efficiencies” and other cuts, including nearly \$50,000,000 in additional cuts to information technology [IT] infrastructure and systems support. Between fiscal years 2009–2012, \$363,000,000 has been cut from CBP’s IT systems. CBP relies on these systems to target potential terrorists before they reach our shores, perform database checks on all travelers to this country, and screen cargo manifests for all goods entering the United States via air, land, or sea. Other Government agencies, such as TSA’s Secure Flight, are fast becoming entirely reliant on CBP’s capabilities to assist them in performing their security and other functions. It appears that the Department is eating its seed corn. As discussed under “Air and Marine Interdiction, Operations, Maintenance, and Procurement”, a 52-percent cut to aircraft procurement is shortsighted in the extreme and has a direct impact on border security. Given the Budget Control Act funding limitations, the Committee is unable to restore all of these reductions. The Committee urges

the Department and the Office of Management and Budget [OMB] to provide sufficient resources in the fiscal year 2014 budget to sustain critical operations to avoid long-term negative impacts.

FINANCIAL PLAN

To help facilitate oversight by the Committee, CBP is directed to submit to the Committee within 90 days after the date of enactment of this act, a financial plan reflecting a detailed breakout of funding by office for each of the major PPAs in the “Salaries and Expenses” appropriation. This financial plan shall include a comparison by office to the prior year plan amount and actual expenditures for fiscal year 2012 and planned expenditures for fiscal year 2013.

PORT OF ENTRY STAFFING AND RELIANCE ON FEES

The Committee continues to hear concerns about the apparent lack of staffing availability of CBP officers [CBPOs] at airports and land border ports of entry. Approximately 35 percent of CBPOs are funded through various inspection fees. The most significant fees have not been changed in roughly a decade and it is incumbent on CBP to work with OMB to adjust fees to ensure that ports are properly staffed to ensure the expeditious, efficient, and thorough inspection and processing of people and goods entering the country.

Additionally, the Committee understands that CBP currently is engaged with the Department of Agriculture Animal and Plant Health Inspection Service [APHIS] to ensure that the APHIS User Fees cover the full cost of inspection of agricultural products at our ports of entry. The Committee strongly encourages the Secretary to develop and implement procedures to ensure revenue from these fees, transferred to the Department pursuant to section 421 of the Homeland Security Act of 2002, primarily funds the salaries, benefits, overtime, and associated costs of CBP Agriculture Specialists. Not later than 90 days of enactment of this act, CBP shall provide the Committee with a briefing describing the procedures being implemented to meet this objective.

Finally, the Committee strongly encourages CBP to provide greater information on CBP officer staffing at airports to the appropriate airport authorities. DHS and CBP do themselves no favors and earn unnecessary ill will by withholding basic staffing information—including the reasoning behind its staffing decisions—and hiding behind vague phrases such as “law enforcement sensitive” and “for official use only”. If the Transportation Security Administration can provide information about transportation security officer staffing at a given airport to the proper authorities, it makes no sense for CBP to withhold similar information. The Committee directs the Commissioner to submit a report no later than 60 days after the date of enactment of this act on the specific steps CBP can take to advance its relationship, and specifically its information sharing, with port authorities. This report should include descriptions of high-level stakeholder coordination in the form of working groups, conference calls, operations, and other interactions. The report shall also address the legal reasons, if any, if CBP has determined it is prohibited from providing this information to airport authorities and other appropriate officials. If there are legal prohi-

bitions, the report shall delineate them and provide alternative language and/or proposals to amend the relevant laws. Additionally, the Committee directs CBP to submit immediately the recently completed Workload Staffing Model.

COBRA FEE SHORTFALL

Due to issues associated with the U.S.-Colombia Trade Promotion Agreement Implementation Act, Public Law 112-42, there is an anticipated shortfall of \$83,000,000 in COBRA fees in fiscal year 2012 and \$110,000,000 in fiscal year 2013. The Committee has yet to receive a reprogramming request informing it how the Department will address the fiscal year 2012 shortfall nor a budget amendment proposing a solution to the even larger problem anticipated in fiscal year 2013. The Department and the Office of Management and Budget need to resolve this matter expeditiously and communicate to the Committee the consequences on CBP's missions if they fail to address this matter.

FACILITATING TRAVEL AND ENHANCING THE ENTRY PROCESS

The Committee notes that on January 19, 2012, the President issued an executive order announcing the administration's intent to place a renewed emphasis on steps various Government agencies, including the Department of Homeland Security, can take to increase travel to the United States. Increasing the number of international visitors to the United States has a direct economic impact, including job creation.

The Committee provides \$7,000,000 above the request for additional enhancements to the entry process for international travelers. When combined with the request, funding is provided to expand Global Entry to nine additional airports in fiscal year 2013, and for the installation of additional kiosks at existing Global Entry locations with high volumes of passenger traffic where the volume of air passenger traffic would benefit from additional kiosks. The Committee directs CBP to work jointly with interested airport authorities and airlines to provide improved signage, including informational videos, explaining the entry process. The Committee also encourages CBP to work with airport authorities in developing a "welcome ambassador" program with interested airports where appropriate.

Additionally, the Committee provides \$10,000,000 above the request to expand preclearance operations, including 45 additional CBP officers, at priority preclearance airport locations. Investments should be focused on the most heavily trafficked preclearance facilities in order to increase efficiency and maximize CBP resources. Preclearance operations are a relatively low-cost method to expand travel to the United States while maintaining security. CBP shall brief the Committee no later than 60 days after the date of enactment of this act on its plan to expand preclearance operations.

CBP's April 25, 2012, report entitled "Improving Entry Process for Visitors to the United States", which was mandated by Congress as part of the fiscal year 2012 the Department of Homeland Security Appropriations Act, states:

"A CBP officer is the first face of the U.S. Government that travelers see at POEs. As a visible symbol of our Nation, CBP officers

have an important responsibility. Training provides new CBP officers an understanding of the expectations and standards in terms of conduct, workplace environment, demeanor, etiquette, respect for cultural diversity, and interpersonal communications.”

The Committee shares the frustration resulting from long lines of people and goods waiting to be processed at our ports of entry. It is important that all CBP officers recognize the role they play as travel facilitators in addition to security officials. CBP, and the U.S. Government in general, need to do more to emphasize encouraging repeat visitors to the United States, as this will assist in growing jobs and the economy. Creating a welcome first impression for visitors is the first step in this process.

CROSS-BORDER TUNNELS

Tunnels along the United States-Mexico border will remain an attractive alternative to overland drug smuggling because of increased security measures and aggressive enforcement activity on traditional cross-border routes. According to CBP’s second semi-annual cross-border tunnel report, which covered the third and fourth quarters of fiscal year 2011, 18 new tunnels were discovered along the United States-Mexico border, 5 more tunnels than were discovered in fiscal year 2010. Of these tunnels, four were discovered in the San Diego sector with the remainder discovered in the Nogales and Yuma sectors. Since fiscal year 2007, CBP has directed \$5,800,000 towards remediation and closure of these tunnels. The Committee supports the ongoing efforts of the DHS Tunnel Task Force to detect and respond to new tunnels and directs continued submission of the required tunnel report and directs CBP to dedicate sufficient resources to continue detecting, responding to, and remediating tunnels as they are encountered.

CONDUCT AND INTEGRITY OVERSIGHT

Since Congress initiated the rapid increase in CBP staffing in 2005, the Committee has been concerned about the potential for increased corruption by CBP personnel. Since fiscal year 2005, 137 current or former CBP employees have been arrested, indicted, or otherwise prosecuted on corruption charges. The Committee remains committed to addressing this problem.

The Committee recommends a total of \$156,469,000, \$2,000,000 above the request, for CBP to expand integrity training for its officers, conduct investigations, reduce the backlog of reviews and polygraphs, and meet the requirements of the Anti-Border Corruption Act of 2011 (Public Law 111–338).

The Committee directs the Deputy Secretary to continue to oversee the coordination of the Office of the Inspector General and CBP on program integrity issues. As discussed in title I of this report, the Committee directs the Deputy Secretary to submit a report not later than 60 days after the date of enactment of this act outlining the specific steps being taken to further address the process for investigating cases of corruption of CBP employees.

BORDER PATROL AGENTS

Included in the amount recommended by the Committee for “Border Security and Control” is a total of \$3,625,950,000, as requested. Bill language is included mandating a floor of not less than 21,370 Border Patrol agents on-board throughout fiscal year 2013. With the 1,000 new Border Patrol agents funded as part of the Emergency Supplemental Border Security Act, 2010, combined with the funds in this act, there will be 21,370 Border Patrol agents on duty, more than double the 9,951 agents on board at the end of fiscal year 2002.

OPERATION STREAMLINE

The Committee supports Operation Streamline, a program through which individuals apprehended crossing the Southwest border are sentenced by a judge to serve a period of time in jail. In Border Patrol sectors where Operation Streamline is robustly in effect, there has been a noticeable reduction in attempted illegal crossings. The Committee encourages the Department to work with the appropriate Department of Justice agencies and the Judiciary to expand Operation Streamline to additional Border Patrol sectors.

NORTHERN BORDER PORT STAFFING

The Committee remains concerned about CBP officer staffing levels for Northern Border ports of entry. The Committee believes that many of the concerns about Northern Border staffing could be allayed by more complete reporting to Congress about CBP’s Northern Border staffing plans. The Committee directs CBP to submit a plan with the fiscal year 2014 budget detailing specific staffing and funding for, and implementation of, planned Northern Border enforcement initiatives by port of entry. The Committee also directs CBP to provide a briefing to the Committee not later than December 1, 2012, on the CBP officer staffing requirements on the Northern Border based on increased trade flows and the current threat environment.

TRADE ENFORCEMENT

The Committee fully funds the request for trade enforcement activities, including \$3,000,000 to expand the industry integration Centers of Excellence and Expertise beyond the existing electronics and pharmaceuticals centers to such critical trade sectors as textiles, petroleum, consumer products, and mass market retail imports. These efforts, combined with increases for risk-based targeting of passengers and goods entering the United States, should further expedite the trade process.

CBP analysis has found that there is strong evidence to conclude that trade fraud and evasion is widespread in many commodity sectors—particularly for goods from China, which account for 46 percent of the antidumping and countervailing duties [AD/CVD] collected. The volume of trade continues to expand and, as the economy improves, the country will experience an even greater volume of trade. The Committee recognizes the need for all Federal Government agencies involved in international trade to aggressively

enforce existing trade laws. During a hearing before the subcommittee on May 25, 2011, it became clear that there are specific actions that CBP and U.S. Immigration and Customs Enforcement [ICE], together with the Departments of Commerce and State and the United States Trade Representative, can take without the need for additional legislation. According to CBP's own statistics, more than \$1,000,000,000 in duties related to antidumping from 2001 to 2010 have yet to be collected. To help combat this problem, CBP has created a multidisciplinary Re-engineering Dumping Team to review the AD/CVD process and to develop enforcement solutions. The Committee commends CBP for taking this action and directs it to provide quarterly briefings to the Committees on Appropriations in the Senate and House of Representatives on its efforts to improve the enforcement and collection process.

ANTIDUMPING AND COUNTERVAILING DUTY ENFORCEMENT REPORTS

The Committee has ensured that, within the amounts provided in this account, there will be sufficient funds to administer the ongoing requirements of section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c), referenced in subtitle F of title VII of the Deficit Reduction Act of 2005 (Public Law 109–171; 120 Stat. 154).

The Committee directs CBP to continue to work with the Departments of Commerce and the Treasury and the Office of the United States Trade Representative (and all other relevant agencies) to increase collections, and provide a public report on an annual basis within 30 days of each year's distributions under the law. The report should summarize CBP's efforts to collect past due amounts and increase current collections, particularly with respect to cases involving unfairly traded United States imports from China. The report shall provide the amount of uncollected duties for each antidumping and countervailing duty order, and indicate the amount of open, unpaid bills for each such order. In that report, the Secretary, in consultation with other relevant agencies, including the Secretaries of the Treasury and Commerce, should also advise as to whether CBP can adjust its bonding requirements to further protect revenue without violating U.S. law or international obligations, and without imposing unreasonable costs upon importers.

The Committee further directs the Secretary to work with the Secretary of Commerce to identify opportunities for the Commerce Department to improve the timeliness, accuracy, and clarity of liquidation instructions sent to CBP. Increased attention and inter-agency coordination in these areas could help ensure that steps in the collection of duties are completed in a more expeditious manner.

Consistent with section 691a of Public Law 103–182, the North American Free Trade Agreement Implementing Act of 1993, the Committee directs the Commissioner of Customs to submit to Congress before the 60th day of each fiscal year a report regarding the collection of duties imposed under the antidumping and countervailing duty laws during the preceding fiscal year.

Separately, CBP is directed to report to the Committee on collection of the outstanding \$1,000,000,000 in antidumping/countervailing duties, including the number of claims, the value of each claim, the stage of collection for each claim, and the date on which

the claim was referred for further action to either the CBP Chief Counsel or U.S. Department of Justice. This report shall be submitted to the Committee not later than 180 days after the date of enactment of this act.

COMMERCIAL TRADE ENFORCEMENT/INTELLECTUAL PROPERTY RIGHTS

CBP and ICE are directed to jointly brief the Committee by March 27, 2013, on the ongoing efforts to improve commercial trade enforcement and intellectual property rights protection, including the status of implementing the trade compliance enforcement strategy and efforts to improve coordination and collaboration between CBP and ICE field offices. The briefing should address the progress made to date and specifically address the approaches outlined in CBP's, April 4, 2012, "Trade Compliance—Broker Community" report to improve the compliance of foreign importers.

TRADE COMPLIANCE—INFORMATION SHARING

The Committee understands that current law may unintentionally prohibit the Department of Commerce from sharing proprietary information with CBP vital to determining violations or claims with respect to any provision of the Tariff Act of 1930. The Committee urges the Department to coordinate jointly with the Department of Commerce on a legislative proposal to amend the appropriate section of the United States Code to remove any legal barriers to sharing of appropriate and necessary information between these prime Federal trade compliance and enforcement agencies.

JONES ACT

CBP is charged with enforcement of U.S. cabotage laws. The Jones Act provides for the national and economic security of the United States by supporting a strong U.S. merchant marine. By virtue of the Outer Continental Shelf Lands Act, as amended by Public Law 106-580, the coastwise laws apply to marine transportation between points and places in the United States, including the Outer Continental Shelf. U.S. vessels, mariners, and shipyards have been negatively impacted and underutilized as a result of lax enforcement of prior rulings inconsistent with congressional intent. The Committee urges the Department to levy penalties for previously documented violations, continue working with the Offshore Marine Service Association in order to investigate future potential violations, and dedicate adequate resources to vigorously enforce the Jones Act on the Outer Continental Shelf. The Committee is very concerned that 53 waivers of the Jones Act were issued in fiscal year 2011, enabling foreign-flagged vessels to transport oil released from the Strategic Petroleum Reserve in response to extreme fluctuations in the price of gas.

The Committee is also concerned about the lack of transparency in issuing these waivers. A general provision is included prohibiting funds from being used to issue future waivers related to a release from the Strategic Petroleum Reserve until the Secretary has consulted with the Departments of Energy and Transportation and representatives of the United States flag maritime industry and

taken adequate steps to ensure the use of United States flag vessels. The Secretary shall notify the Congress within 2 business days of any request for a waiver, not solely waivers requested to transport oil released from the Strategic Petroleum Reserve.

The Committee directs CBP to develop a system to track the status of all Jones Act violations, from the time they are reported until assessed penalties have been collected or there is a finding of no violation and the charges are dismissed. The Committee also directs CBP to make information available to the public and the Committees on Appropriations in the Senate and House of Representatives, on a quarterly basis, about specific Jones Act violations, findings of fact, parties determined to be at fault, amount of penalty assessments, and status of collections.

NORTHERN BORDER COOPERATION

The Committee recognizes the economic importance of facilitating the flow of cross border goods and people between the United States and Canada. To this end, the Joint United States-Canada “Beyond the Border” Action Plan, issued April 4, 2011, included several recommendations to enhance the economic relationship while increasing cross border security. The Committee directs CBP to continue working together with its Federal, State, local, and Canadian law enforcement partners to implement the Beyond the Border recommendations.

ADVANCED TRAINING CENTER

Included in the amount recommended by the Committee is \$53,000,000, as proposed in the budget, for programmatic expenses (including salaries and benefits) and the National Training Plan, at the Advanced Training Center [ATC]. For fiscal year 2013, the ATC staffing target is 224 employees. With the establishment of the Advanced Training Center Revolving Fund [ATCRF], pursuant to the fiscal year 2012 Department of Homeland Security Appropriations Act, the Committee directs CBP to utilize ATCRF funds in addition to any funds appropriated annually by the Congress.

Pursuant to Public Law 106–246, the training to be conducted at the Center shall be configured in a manner so as to not duplicate or displace any Federal law enforcement program of the Federal Law Enforcement Training Center [FLETC]. Training currently being conducted at a FLETC facility shall not be moved to the Center.

TRAINING REGARDING HUMAN TRAFFICKING

CBP plays a critical role in identifying potential human trafficking victims as they enter the United States. The Committee encourages CBP to continue to work with appropriate nonprofit organizations and victim service providers to improve the training of CBP officers in the field to assist in the identification of human trafficking victims, especially children, and provide appropriate referrals to victim service organizations.

FOREIGN MUNICIPAL SOLID WASTE

The Committee recognizes that trucks carrying foreign municipal solid waste entering the United States from Canada represent potential homeland security and environmental threats to our Nation. The Committee is also aware of successful efforts to address this threat, which have resulted in a significant reduction in municipally managed waste shipments to the United States. However, nearly 350 trash trucks still cross U.S. borders every day. The Committee urges DHS, in conjunction with CBP, to consider proposing to raise the current Customs User Fee for trucks carrying foreign municipal solid waste into the United States and include any such proposal in the fiscal year 2014 budget through the appropriate authorizing mechanism.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

U.S. CUSTOMS AND BORDER PROTECTION—SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Salaries and expenses:			
Headquarters, management, and administration:			
Management and administration, border security inspections and trade facilitation	667,794	601,414	599,914
Management and administration, border security, and control between ports of entry	717,309	665,646	664,146
Rent	483,749	614,871	614,871
Subtotal, Headquarters, management, and administration	1,868,852	1,881,931	1,878,931
Border security inspections and trade facilitation:			
Inspections, trade, and travel facilitation at ports of entry ..	2,484,235	2,480,674	2,499,674
Harbor maintenance fee collection (Trust Fund)	3,274	3,285	3,285
International cargo screening	74,557	71,534	71,534
Other international programs	10,684	27,084	24,866
Customs-Trade Partnership Against Terrorism [C-TPAT]	44,979	40,082	40,082
Trusted Traveler Programs	6,311	6,311	6,311
Inspection and detection technology investments	148,537	117,575	117,575
Automated targeting systems	41,400	113,826	113,826
National Targeting Center	51,950	65,127	65,127
Training	37,834	34,860	34,860
Subtotal, Border security inspections and trade facilitation	2,903,761	2,960,358	2,977,140
Border security and control between ports of entry:			
Border security and control	3,530,994	3,551,840	3,551,840
Training	88,610	74,110	74,110
Subtotal, Border security and control between ports of entry	3,619,604	3,625,950	3,625,950
Air and Marine operations	287,901	280,819	287,849
US-VISIT		1 261,523	

U.S. CUSTOMS AND BORDER PROTECTION—SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Total, Salaries and expenses	8,680,118	9,010,581	8,769,870

¹Funding of \$261,523,000 proposed under U.S. Customs and Border Protection, "Salaries and Expenses." Funding is provided in a separate account.

AUTOMATION MODERNIZATION

Appropriations, 2012	\$334,275,000
Budget estimate, 2013	327,526,000
Committee recommendation	327,526,000

The automation modernization account includes funds for major information technology systems and services for U.S. Customs and Border Protection [CBP], including the Automated Commercial Environment [ACE] and the International Trade and Data System projects, and connectivity of and integration of existing systems.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$327,526,000, to be available until September 30, 2015, for automation modernization.

EXPENDITURE PLAN

The Committee includes bill language limiting the availability of \$25,000,000 for development of ACE until the submission of a comprehensive expenditure plan for the program. The Committee also expects to continue receiving the ACE quarterly reports. CBP is directed to brief the Committees on Appropriations immediately on the plan to decommission the Automated Commercial System [ACS], the updated program plan for ACE, how the ACS decommission plan is integrated into the program plan, and the updated master schedule for ACE development.

TECS MODERNIZATION

The Committee directs CBP and ICE to continue to conduct the semiannual joint briefings for the Committee.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

AUTOMATION MODERNIZATION

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Automated Commercial Environment/International Trade Data System [ITDS]	140,000	140,794	140,794
Current operations protection and processing support [COPPS] ..	194,275	186,732	186,732
Total, Automation modernization	334,275	327,526	327,526

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY

Appropriations, 2012	\$400,000,000
Budget estimate, 2013	327,099,000
Committee recommendation	327,099,000

The Border Security, Fencing, Infrastructure, and Technology account funds the capital procurement and total operations and maintenance costs associated with fencing, infrastructure, sensors, surveillance, and other border security technology.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$327,099,000 for Border Security Fencing, Infrastructure, and Technology, the same as the request.

BORDER TECHNOLOGY DEPLOYMENT DELAYS

According to the Department, Border Patrol apprehensions have decreased 53 percent since fiscal year 2008. In the Tucson sector apprehensions dropped 42 percent between fiscal years 2010–2011. This is the lowest level of apprehensions in Tucson in 17 years. Since fiscal year 2005, the Committee has been a strong and active supporter of the efforts to secure our Southwest Border through a strategic combination of fencing, tactical infrastructure, and technology, combined with a doubling of the size of the Border Patrol. In fact, at the initiation of this Committee, the Congress has appropriated more than \$2,000,000,000 in regular, supplemental, and emergency funding above the amounts requested by this and the previous President for this account. These funds have been used to construct the 650 miles of fencing and border infrastructure mandated by the Secure Fence Act, as amended, and they have been used to bring more technology and security to Border Patrol agents than has ever been available.

On April 6, 2012, the Department issued a request for proposals to build and deploy the next set of integrated fixed towers [IFTs] for cameras and radars within Arizona. CBP estimates the contract will be awarded in the first quarter of 2013 and it intends to initiate the deployments in Douglas and Casa Grande, Arizona, in the second and third quarters of the fiscal year—before operational testing is even started on the first deployment of IFTs—which is not scheduled to occur until the fourth quarter of fiscal year 2013. Given the history of the border technology program under any name, the Committee is skeptical that this plan is prudent. In this era of increasingly scarce resources, it is more important than ever to ensure the system works as best as possible before investing further resources. If it applies nowhere else, the phrase “once burned, twice shy” applies here.

The fiscal year 2013 President’s budget includes funding for additional deployments despite having no contract in place and no way of knowing if all of the deployment issues experienced over calendar years 2009 and 2010 have been solved. The Committee has provided the requested resources for a system which, while now working well and proving its capabilities, has been what could only charitably be called poorly managed. It is simply not prudent to fund additional deployments of towers until the program demonstrates at least one successful deployment on the new contract.

The Department has indicated that approximately \$639,000,000 remains available in unobligated prior year balances for border technology. Given these strong concerns, the Committee rescinds \$92,000,000 in unobligated balances from this account that are not required for fiscal year 2013.

Finally, the Committee commends the program managers for including in the request for proposal that if there are no offerors who provide adequate confidence in the nondevelopmental nature of their system, or no offerors who provide enough performance at a reasonable cost, CBP will cancel the solicitation rather than procure an ineffective or high-risk offering. This is most prudent given the many past contracting problems.

NORTHERN BORDER

Included in the Committee's recommendation is \$10,000,000, as requested, for enhancing low-flying aircraft surveillance and maritime detection technology along the Northern Border.

The Committee recognizes that incidents of drug smuggling along our Northern Border are increasing, and that more efforts need to be undertaken to address this growing problem. In previous years, the Department of Homeland Security and Department of Defense cooperated on Operation Outlook, a program that used sophisticated military radar technology along the Northern Border to identify low-flying aircraft that would otherwise not have been caught with the current technology used by the Department of Homeland Security. Though that operation was highly successful, it was only temporary in nature and covered only one sector of the Northern Border. To better uncover and combat the smuggling of drugs by low-flying aircraft, and to assist in developing a comprehensive plan to combat narcotics smuggling along the Northern Border, the Committee urges CBP to jointly cooperate with its Canadian counterparts to further explore options to address low-flying aircraft and other potential airborne threats along the Northern Border, including the expanded use of military radar.

ACCESS TO THE BORDER

The Committee recognizes that several steps have been taken by the Federal Government in recent years to increase communication among Federal agencies to address impediments that could impair their ability to carry out critical border protection responsibilities. The memoranda of understanding developed by these agencies underscore the notion that agencies can and must effectively work together to protect our borders, and the Committee concurs with the Secretary's comments during a March 30, 2012, hearing before the subcommittee that the Department's existing legal authorities are sufficient to protect our borders adjacent to public lands. Further, the Committee recognizes that, in fulfilling its border security responsibilities, the Department should continue to cultivate and maintain relationships between the agency and State, local, and tribal officials.

BORDER ROADS

The Committee directs CBP to work with counties along the United States-Mexico border to identify unimproved county roads that the Border Patrol requires the use of and that provide critical access to the border region for the purpose of maintaining border security. The Committee directs CBP to provide a briefing on the extent to which these roads are used and their impact on daily border security operations not later than 90 days after the date of enactment of this act.

INVASIVE SPECIES

CBP is directed to brief the Committee by March 27, 2013, on the current activities associated with the control of invasive species and any mitigation efforts.

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

BORDER SECURITY FENCING, INFRASTRUCTURE, AND TECHNOLOGY
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Development and deployment	212,377	188,816	188,816
Operations and maintenance	133,248	138,283	138,283
Program management	54,375	.....	.....
Total, Border security fencing, infrastructure, and technology	400,000	327,099	¹ 327,099

¹ A rescission of \$92,000,000 of prior year balances is included as a general provision.

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

Appropriations, 2012	\$503,966,000
Budget estimate, 2013	435,769,000
Committee recommendation	506,766,000

The U.S. Customs and Border Protection [CBP] Air and Marine Interdiction, Operations, Maintenance, and Procurement [AMO] account funds the capital procurement and total operations and maintenance costs of the CBP air and marine program and provides support to other Federal, State, and local agencies.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$506,766,000, an increase of \$70,997,000 above the request, to remain available until September 30, 2015, for air and marine interdiction, operations, maintenance, and procurement.

The Committee strongly supports CBP’s continued efforts to recapitalize its air and marine assets. Working with the Office of Air and Marine, the Committee has provided resources to meet the Department’s border security requirements in the air, coastal, and riverine environments as delineated by the CBP Air and Marine Recapitalization Plan. Resources to address some of these requirements are provided in this bill. The Committee notes the lengthy period of time it takes to procure certain types of aircraft and other

air systems because of the need to compete with the Department of Defense for these systems. At the same time, these are mobile border security assets, able to be transferred rapidly to respond to actual and emerging threats.

AGING AVIATION ASSETS AND STRATEGIC RECAPITALIZATION REQUIREMENTS

The President's budget proposes an unacceptably steep, 52-percent cut to the aviation procurement and operations budget for CBP below the fiscal year 2012 enacted level. CBP's fleet of aircraft is increasingly aged. More planes are being retired than are being replaced at a time when there is an increased demand for their use in the counterdrug, alien smuggling, and disaster response missions. More than 50 percent of the aircraft are 35 years old on average. Fixed wing P-3s—which can find and track boats with drugs or aliens in the source and transit zone and send that information to CBP and Coast Guard surface assets for interdiction—are more than 42 years old. The proposed reduction would result in fewer replacement aircraft being purchased and combined aircraft flight hours being cut to only an estimated 65,000 hours in fiscal year 2013, a reduction of more than 40 percent from the peak level of 106,600 hours in fiscal year 2010, and a reduction of over 20 percent from flight hour allocations for fiscal year 2012.

The Committee recognizes that since the merger of the legacy U.S. Border Patrol and U.S. Customs Service aviation programs under CBP in 2005, the CBP's Office of Air and Marine [OAM] has dramatically increased the efficiency and effectiveness of CBP air operations in support of the Department and its international, Federal, State, local, and tribal partners. Many of these efficiencies were captured through the acquisition of technologies that then drove or facilitated changes in CBP air operations including decreased operations cycle time, effective asset procurement/modernization, and innovative sensor system integration. These operations developments have then resulted in expanded mission functionality, vastly improved detection capability, real-time customer support, decreased mishaps and system downtime, which have consequently provided a significant increase in overall CBP aviation mission effectiveness. The Committee understands that the aircraft recapitalization plan is nearly complete, with more than \$1,000,000,000 appropriated by Congress from fiscal year 2006 through fiscal year 2012 to accomplish the objectives laid out in the long-range plan to replace/upgrade CBP's aging fleet of aircraft and marine vessels.

The budget request includes funding to continue the P-3 aircraft service life extension effort, continue to upgrade Black Hawk helicopters, and to purchase the seventh multirole enforcement aircraft. But at this reduced level of procurement funding, it will take over 13 years to fully recapitalize CBP's fleet. As these air assets are fully mobile, they are capable of rapidly responding to an emerging threat anywhere in the country.

To address the requirement to replace aging aircraft and enhance the capabilities of existing systems, the Committee recommends the following increases above the request:

- \$18,567,000 to provide enhanced sensor capabilities for at least two unmanned aircraft systems which have been developed by the Department of Defense and tested by CBP;
- \$22,500,000 to procure an additional multirole enforcement aircraft; and
- \$10,930,000 (for a total of \$39,000,000) to continue the P-3 Service Life Extension Program on a schedule to complete work by 2016.

Additionally, the Committee recommends \$19,000,000 above the request to restore total AMO flight hours for all aircraft to 96,000 hours, the fiscal year 2011 flight hour level.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

AIR AND MARINE INTERDICTION, OPERATIONS, MAINTENANCE, AND PROCUREMENT

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Operations and maintenance	365,087	368,799	387,799
Procurement	138,879	66,970	118,967
Total, Air and Marine interdiction, operations, maintenance, and procurement	503,966	435,769	506,766

CONSTRUCTION AND FACILITIES MANAGEMENT

Appropriations, 2012	\$236,596,000
Budget estimate, 2013	243,666,000
Committee recommendation	243,666,000

This appropriation provides funding to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, customs, and alien registration.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$243,666,000, the same as the requested amount and \$7,070,000 above the enacted level, for construction and facilities management activities of U.S. Customs and Border Protection [CBP], to be available until September 30, 2017.

ADDITIONAL LAND BORDER PORT REQUIREMENTS

The Committee notes that the American Recovery and Reinvestment Act of 2009, (Public Law 111-5) provided \$420,000,000 for construction, repairs, maintenance, and security upgrades to CBP-owned ports of entry [POEs]. Of the 167 land border ports of entry, CBP owns 41. The rest are owned and administered by the General Services Administration [GSA] or are privately owned and leased, and one is owned by the National Park Service. The Committee is pleased that through good stewardship and creative contract management, CBP was able to reconstruct or renovate 31 CBP-owned ports of entry, 28 of which were on the Northern Border.

The Committee emphasizes, however, that the largest land ports of entry, by both trade volume and staffing, are GSA-owned. It is important that the President request sufficient resources for the GSA to rebuild and expand these large POEs to meet growing cargo and passenger traffic, as well as significant security requirements. While Congress has significantly enhanced physical security and staffing between the ports of the entry—especially on the Southwest Border—similar construction and staffing increases for the POEs proportional to the requirements have not been requested or funded. This includes roads leading to and away from the POEs. As these probably are State or county roads, this issue must be approached in a comprehensive manner. As security between the ports has increased, attempts by organizations to smuggle aliens and contraband through the ports have increased substantially. This growing threat needs to be addressed via a comprehensive, multi-Departmental strategy—with significant involvement by State, tribal, and local officials.

This funding requirement does not account for land purchases and construction of additional port capacity, traffic lanes, and security assets. The Committee directs DHS, GSA, and the Office of Management and Budget to develop a multiyear strategy to address this growing trade and security problem. This effort should include recommending alternative options for funding POE construction and improvements, such as expanded use of public-private partnerships, as well as any necessary legislative solutions. The Committee encourages this group to explore creative solutions currently under evaluation for existing projects, as well as successful, alternatively funded public works projects in other countries. The Committee directs DHS to convene the first strategy session to begin to address this issue during the first quarter of fiscal year 2013 and to brief the Committee on the initial results of that session not later than February 4, 2013.

FIVE-YEAR CONSTRUCTION PLAN

The Committee reminds CBP that the fiscal year 2012 Department of Homeland Security Act made permanent the requirement that a 5-year plan for all Federal land border ports of entry shall be submitted annually with the President's budget request. The fiscal year 2012 plan is more than 3 months overdue.

The Committee directs the Department to continue to work with the GSA on its nationwide strategy to prioritize and address the infrastructure needs at land border POEs and to comply with the requirements of the Public Buildings Act of 1959 (40 U.S.C. 3301) and seek necessary funding.

The Committee further directs the Department to encourage the use of small businesses in all phases of the contracting process for construction and renovation of POEs.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

CONSTRUCTION AND FACILITIES MANAGEMENT

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Facility construction and sustainment	182,500	186,214	186,214
Program oversight and management	54,096	57,452	57,452
Total, Construction and facilities management	236,596	243,666	243,666

UNITED STATES VISITOR AND IMMIGRANT STATUS INDICATOR
TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2012	\$306,802,000
Budget estimate, 2013	(¹)
Committee recommendation	279,133,000

¹A total of \$279,133,000 proposed under U.S. Customs and Border Protection, "Salaries and Expenses" and U.S. Immigration and Customs Enforcement, "Salaries and Expenses".

The United States Visitor and Immigrant Status Indicator Technology [US-VISIT] account funds the development of a system to collect, maintain, and share appropriate information through an integrated information technology system, which determines the eligibility of aliens for admissions and benefits.

The US-VISIT program office has lead responsibility within the Department of Homeland Security to work with the Federal Bureau of Investigation [FBI] on the further integration of the Automated Biometric Identification System [IDENT] and the FBI's Integrated Automated Fingerprint Identification System [IAFIS].

COMMITTEE RECOMMENDATIONS

The Committee recommends \$279,133,000, as a new account within U.S. Customs and Border Protection [CBP], to remain available until September 30, 2014, for US-VISIT.

TRANSFER OF US-VISIT

The Committee supports the proposed transfer of US-VISIT. However, there remain significant concerns over the depth of the analysis that has been completed to support which functions should be assigned to various entities across the Department and what level of resources should accompany those responsibilities. Therefore, the Committee recommends that US-VISIT be transferred in full as a stand-alone appropriation of CBP, rather than incorporated within the "Salaries and Expenses" appropriation of CBP and ICE. This does not reflect the Committee's disapproval of the ICE transfer but a deferral of this transfer until the proper level of funding is validated to support the visa overstay function. In addition to CBP and ICE, the Committee directs the Secretary to expand the review of the proper placement of the functions of US-VISIT, to determine whether some responsibilities might better be carried out by the Office of International Affairs or the Screening Coordination Office within the Office of Policy. The updated justification and transition of US-VISIT functions and funds within the Department shall be included in the President's fiscal year 2014 budget request. CBP and the National Protection and Pro-

gram Directorate shall brief the Committee on the transition plan no later than July 31, 2012.

IDENTITY SCREENING SERVICE PROVIDER

While US-VISIT was launched in response to congressional mandates for an automated, integrated entry-exit system, the program has been providing significant and indispensable support to the operational missions of CBP, United States Citizenship and Immigration Services, U.S. Immigration and Customs Enforcement, the Transportation Security Administration, the Coast Guard, and other DHS components. But both US-VISIT's innovative biometrics-based and biographics-based technology solutions have evolved the program into something far more valuable to securing our Nation.

Additionally, US-VISIT offers an opportunity for sharing information and collaborative planning and problem solving among biometric stakeholders at the Departments of State, Justice, Defense, and the Intelligence Community. In 2009, US-VISIT established an Executive Stakeholder Board [ESB], the program's advisory body which provides valuable guidance and feedback on US-VISIT operations and strategies. The ESB offers a platform for discussing how US-VISIT's services can or should be adapted to fit the needs of its partners and enables US-VISIT to better serve its customers at a strategic level. The Board is composed of senior executives from all DHS operational components as well as DHS support organizations. Senior officials from the Departments of Justice, State, and Defense also sit on the Board. Recognizing the need to maintain strong governance of the US-VISIT program, bill language has been included maintaining the active role of the Executive Stakeholder Board.

FUTURE BIOGRAPHIC/BIOMETRIC CAPABILITIES

The Committee recommendation includes \$1,500,000 to begin implementation of a program exchanging the entry data for third country nationals, permanent residents of Canada, and U.S. lawful permanent residents in the United States, who enter through all automated common Northern Border land ports of entry. This funding will cover the implementation of a real-time interface to exchange entry/exit biographic data on travelers between Canada and the United States. The Committee notes, according to the Comprehensive Biometric Air Exit Plan of May 11, 2012, the Secretary has directed S&T to work with CBP to conduct an objective analysis of previous air exit pilots, collect information to address knowledge gaps, and develop recommendations to inform biometric exit planning and implementation. S&T, with CBP's assistance, is working with subject matter experts within and external to the Department, including National Institute for Standards and Technology. The goals of this collaboration are to: evaluate recent information about relevant foreign and private-sector biometric technology deployments; review available documentation from previous pilots; and develop an evaluation framework. The Committee understands that following the analysis the Department will begin testing within the year and plans to advance to operational testing and evaluation by 2015, and consideration of deployment by 2016.

The Committee directs the Secretary to report to the Senate Committees on Appropriations, the Judiciary, and Homeland Security and Governmental Affairs within 120 days after the date of enactment of this act, and to brief the Committee semiannually thereafter, on the Department's tangible progress in implementing an enhanced biographic exit system and biometric exit planning. The report shall include the results of the Canadian pilot programs and provide an update on the Mexican pilot program.

BRIEFINGS

All current briefings on US-VISIT programs shall continue to be provided on a semiannual basis.

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT

SUMMARY

U.S. Immigration and Customs Enforcement [ICE] is responsible for enforcing immigration and customs laws and detaining and removing deportable or inadmissible aliens.

COMMITTEE RECOMMENDATIONS

The Committee recommends total resources of \$5,642,103,000, including direct appropriations of \$5,330,234,000, and estimated fee collections of \$311,869,000.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT—FUNDING SUMMARY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Appropriations:			
Salaries and expenses	5,528,874	¹ 5,296,692	² 5,294,734
Automation modernization	21,710	30,500	30,500
Construction		5,000	5,000
Total, Appropriations	5,550,584	5,332,192	5,330,234
Estimated Fee Collections:			
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
Total, Estimated fee collections	311,869	311,869	311,869
Total, Available funding	5,862,453	5,644,061	² 5,642,103

¹ Includes \$17,610,000 requested for US-VISIT.

² Excludes \$18,000,000 made available by transfer from US-VISIT and includes \$5,000,000 for transfer to the Department of Justice.

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2012	\$5,528,874,000
Budget estimate, 2013	¹ 5,296,692,000
Committee recommendation	² 5,294,734,000

¹ Includes \$17,610,000 requested for US-VISIT.

² Excludes \$18,000,000 made available by transfer from US-VISIT and includes \$5,000,000 for transfer to the Department of Justice.

The ICE Salaries and Expenses account provides funds for the enforcement of immigration and customs laws, intelligence, and detention and removals. In addition to directly appropriated resources, funding is derived from the following offsetting collections:

Immigration Inspection User Fee.—ICE derives funds from user fees to support the costs of detention and removals in connection with international inspections activities at airports and seaports, as authorized by the Immigration and Nationality Act (8 U.S.C. 1356).

Student Exchange Visitor Program Fee.—ICE collects fees from foreign students, exchange visitors, and schools and universities to certify and monitor participating schools, and to conduct compliance audits.

Immigration Breached Bond/Detention Fund.—ICE derives funds from the recovery of breached cash and surety bonds in excess of \$8,000,000 as authorized by the Immigration and Nationality Act (8 U.S.C. 1356); and from a portion of fees charged under section 245(i) of the Immigration and Nationality Act to support the cost of the detention of aliens.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$5,294,734,000, for salaries and expenses of ICE for fiscal year 2013 (excluding \$18,000,000 made available by transfer from US-VISIT and including \$5,000,000 for transfer to the Department of Justice). The Committee includes bill language placing a \$35,000 limit on overtime paid to any employee; making up to \$10,000,000 available for special operations; making up to \$2,000,000 available for the payment of informants; making up to \$11,216,000 available to reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens; making not less than \$305,000 available for promotion of public awareness of the child pornography tipline and anti-child exploitation activities; making not less than \$5,400,000 available to facilitate agreements consistent with section 287(g) of the Immigration and Nationality Act; limiting the use of funds for facilitating agreements consistent with section 287(g) of the Immigration and Nationality Act to the same activities funded in fiscal year 2005; making \$15,770,000 available for activities to enforce laws against forced child labor, of which \$6,000,000 shall remain available until expended; making up to \$11,475 available for official reception and representation expenses; making \$10,300,000 available until September 30, 2014, for the Visa Security Program, and bill language allowing support for overseas vetted units.

The Committee does not recommend the \$6,163,000 increase for collocation of ICE facilities and, as discussed under U.S. Customs and Border Protection [CBP], does not include the proposed increase for ICE of \$17,610,000 for overstay analysis as part of the US-VISIT program. Instead, the Committee includes transfer authority from CBP to ICE of \$18,000,000 for that purpose. As discussed in greater detail below, the Committee recommends increases for overseas vetted units, detention beds, and the transportation and removal program.

INVESTIGATIONS

The Committee notes that in fiscal year 2011, ICE disrupted or dismantled more than 140 transnational criminal organizations capable of laundering over \$1,000,000,000 in illegal proceeds and illegally exporting 50,000 pieces of controlled technology. One such activity is Operation Global Shield, a program designed to thwart the smuggling of precursor chemicals that could be used to build improvised explosive devices, which are weapons commonly used against American troops and U.S. interests overseas. It initially began in November 2010 as a pilot project with more than 70 participating nations that shared information about 14 precursor chemicals. Based on its initial success and importance to multiple countries, the World Customs Organization's 177 members voted to continue Program Global Shield as a long-term program in June 2011. This was the first time that the international community, as a whole, addressed the threat posed by these dangerous precursor chemicals. With real-time information and intelligence sharing, partners are now better equipped to identify whether or not shipments are legitimate.

The Committee encourages ICE to expand the use of ballistics imaging technology and other methods, including the capture and transfer of all ballistics images from guns seized through south-bound inspections or by Mexican authorities, to trace weapons used in criminal acts in Mexico.

TRADE COMPLIANCE AND ENFORCEMENT

The Committee notes that Intellectual Property Rights [IPR] violations, including piracy of not-yet-released movies, is a significant revenue source for transnational criminal organizations including Mexican drug cartels. According to officials at the IPR Coordination Center, these violations are a low-risk/high-profit type of crime. The Center sees more organized crime groups move into it because of the high-dollar value to it.

The Committee fully funds the request for trade enforcement activities, including \$10,000,000 for IPR enforcement, to enhance IPR supply/distribution chain management to improve targeting and ensure shipments of authentic goods are released without delays.

CBP and ICE are directed to jointly brief the Committee by March 27, 2013, on the ongoing efforts to improve commercial trade enforcement and intellectual property rights, including the status of implementing the trade compliance enforcement strategy and efforts to improve coordination and collaboration between CBP and ICE field offices.

OVERSEAS VETTED UNITS OPERATIONS

ICE works closely with its partners in law enforcement in many countries around the world. One tool that has proven especially important has been the use of vetted units, both to combat smuggling before it reaches the shores of the United States as well as to build law enforcement capacity within the host country. The Committee recommends \$5,000,000 above the request for the Office of Investigations to be dedicated to the support of vetted units. Given the importance of this activity, the Committee directs ICE to specifically provide funds in the fiscal year 2014 request to sustain these efforts.

LAW ENFORCEMENT SUPPORT CENTER

The Committee recommends \$34,900,000, as requested, for operations and investigative activities at the Law Enforcement Support Center [LESC].

In fiscal year 2012, the LESL's operations unit is projected to respond to over 1.3 million immigration alien queries. Likewise in fiscal year 2012, the LESL's National Crime Information Center [NCIC] unit is projected to administer nearly 300,000 ICE warrants located in the NCIC system. The LESL Communications Center provides instant NCIC warrant confirmation to law enforcement agencies around the clock, places immigration detainers on fugitives, and provides real-time immigration status checks to ICE officers nationally and internationally. The Committee continues to strongly support the LESL as it assists ICE in carrying out its mission to apprehend criminal aliens residing in the United States, and to facilitate State and local cooperation in this effort.

The Committee notes that the LESL and the Fugitive Operations Support Center [FOSC] play critical roles supporting local law enforcement officials while performing law enforcement actions in the field, as well as conducting analyses about the status and location of fugitive aliens. In fiscal year 2013, the LESL will continue to be an important component of DHS' Secure Communities program and serve as the single point of contact for Secure Communities queries from all 3,181 jurisdictions from across the United States.

The Committee understands that both the LESL and the FOSC are playing important and growing roles in analysis of visa overstays as part of ICE's immigration enforcement agenda. The Committee directs ICE to brief the Committee within 90 days after the date of enactment of this act on the support the LESL and FOSC provide to ICE in regard to visa overstay analysis, including the resources and staffing supporting this effort. In order to promote efficiency, the Committee recommends that ICE fully utilize current operations being carried out at the LESL and avoid unnecessary duplication of these activities at other locations around the country.

VISA SECURITY PROGRAM

The Visa Security Program, mandated in section 428 of the Homeland Security Act of 2002 (Public Law 107-296), extends the border overseas to prevent terrorists and other criminals from receiving U.S. visas. The ICE Office of International Affairs has de-

veloped a multiyear plan which includes a prioritized expansion to the 57 highest-risk visa issuing posts. According to the plan, the program will cover approximately 75 percent of the highest risk visa activity posts by 2013. In fiscal year 2011, ICE agents screened 1,172,388 visa applications at the existing overseas consular posts and, in collaboration with the Department of State, determined that 167,843 applications required further review. Of those reviewed, visa security program agents recommends refusal of more than 5,083 applicants. The Committee recommends \$32,616,000, as requested, to fully fund visa security programs and activities. Of the total amount provided for the Visa Security Program, bill language is included making \$10,300,000 available for obligation through September 30, 2014.

IMMIGRATION ENFORCEMENT

The role of the Appropriations Committee is to provide the resources necessary to enforce enacted laws and administration policy. The Committee takes seriously its role with regard to providing sufficient resources within constrained budgets to effectively and efficiently enforce immigration laws.

Maintaining an adequate number of detention beds is critical to ensuring the integrity of our entire immigration enforcement system, including border enforcement, while at the same time preventing a return to the ill-advised “catch and release” policy. The Committee notes that in fiscal year 2011, ICE removed a total of 396,906 illegal aliens compared with 240,665 in fiscal year 2004.

According to the justification documents submitted with the President’s budget request, “ICE estimates there are 1.9 million removable criminal aliens in the U.S. today.” These are criminal aliens who pose a threat to our communities and are deemed removable. Over the years, this Committee has provided ICE with more funding than has been requested to enforce immigration laws—including the removal of criminal aliens. Given the fact that the administration states that there are such a large number of removable criminal aliens and the ongoing responsibility to support CBP and border enforcement, it is necessary to provide sufficient resources. The Committee includes \$1,986,081,000, \$26,718,000 above the request, to fully fund 33,400 detention beds. This is the same level of beds mandated in fiscal years 2010 and 2011.

The bill contains language directing that a detention bed level of 33,400 beds shall be maintained throughout fiscal year 2013.

ALTERNATIVES TO DETENTION

The Committee recommends \$96,687,000 for the Alternatives to Detention [ATD] program. This is \$14,903,000 below the request and \$24,314,000 above the enacted level. ICE has recently made the decision to more aggressively make use of the ATD program. In order for ICE to properly categorize aliens in custody, resources must be available for both detention beds and ATD. This is necessary as ICE is required to detain those posing the greatest threat to the community while also using ATD to effectively monitor lower risk individuals awaiting court hearings or final orders of removal. In the past few years, ICE has not effectively maximized the use of the ATD program. The Committee directs ICE to provide greater

transparency on its use of the program—including providing quarterly briefings on the results of any evaluations of the program by field offices. ICE should post on its Web site any contractor evaluations and OIG reports related to the ATD program.

TRANSPORTATION AND REMOVAL PROGRAM

The Committee recommends \$263,227,000, \$5,000,000 above the request and \$13,405,000 below the enacted level, for the Transportation and Removal Program. The funds above the request will support additional removals resulting from the increase in detention beds.

SECURE COMMUNITIES

The Committee continues its support of the Secure Communities program and recommends \$138,713,000, as requested. This program facilitates State and local law enforcement authorities sharing of fingerprints with Federal authorities to determine if criminal offenders are illegally present in the United States so that ICE may initiate removal of illegal aliens who pose a threat to public safety. ICE's focus on prioritizing removal of criminal aliens continues to grow. In fiscal year 2008 there were 114,415 convicted criminal alien removals. In fiscal year 2011 there were 216,698 convicted criminal alien removals—an 89-percent increase since fiscal year 2009. One hundred thirty thousand criminal aliens have been removed from the United States through the Secure Communities program, nearly 53,000 of whom have committed an aggravated felony, such as murder or sexual assault, or multiple felonies. Secure Communities' use of this biometric matching capability has expanded from 14 communities in 2008 to 2,504 communities as of March 31, 2012. With the funds recommended in this bill, Secure Communities will be implemented nationwide during 2013.

The Committee has strongly supported the Secure Communities program since its creation as part of the fiscal year 2008 Department of Homeland Security Appropriations Act. According to an April 22, 2011, Congressional Research Service memorandum regarding quantifying the criminal alien population, in fiscal year 2008 non-U.S. citizens comprised 7.1 percent of the U.S. population while comprising 23.1 percent of the Federal prison population. Clearly there are significant numbers of criminal aliens who should be identified and removed upon the completion of their prison sentences.

While there have been concerns expressed about its implementation, two recent DHS Office of Inspector General reports (OIG-12-64 and OIG-12-66) addressed many of these concerns. Regarding complaints by some outside observers that ICE and DHS have not effectively communicated its plans for the program, one report stated, "We did not find evidence that ICE intentionally misled the public or states and local jurisdictions during implementation of Secure Communities". As for the overall effectiveness of the program achieving its goals, a second OIG report stated, "Secure Communities was effective in identifying criminal aliens, and in most cases, ICE officers took enforcement actions according to agency enforcement policy . . . Under Secure Communities, the agency expanded its ability to identify criminal aliens in areas not covered

by its other programs.” The report further indicated that some of those illegal immigrants would likely have gone unnoticed if not for Secure Communities.

The Committee directs ICE to immediately resolve the open items listed in OIG-12-64 and OIG-12-66, publish its response on its Web site, and brief the Committees on the specific steps it has taken to resolve/implement the recommendations.

The Committee has included bill language, as requested, ensuring that all illegal aliens encountered when enforcing our immigration laws are apprehended. The Committee also directs ICE to continue to provide quarterly briefings on progress being made in implementing the Secure Communities program. The briefings shall include Secure Communities’ impact on removals reporting at the level of detail of the quarterly detention and removals report. Additionally, the briefings shall include quarterly data on the number of instances in which Secure Communities identifies when someone who is arrested is in this country illegally, the number of times ICE issues a detainer on such individuals, the major categories for the reasons why a decision is made to issue or not issue a detainer, and the number deported. The first briefing should occur no later than 45 days after the date of enactment of this act.

287(g)

The Committee recommends \$51,300,000, as requested, \$17,000,000 below the enacted level, for the 287(g) program. The Committee notes that the Secure Communities program will be operational nationwide in 2013. Secure Communities deployments have increased criminal alien identifications and removals by 89 percent since 2009. At the same time certain types of 287(g) agreements have proven to be a cost inefficient method for identifying and removing aliens. In fiscal year 2011, the task force 287(g) model cost almost \$6,000 on average per removal, while the jail 287(g) model cost just under \$2,000 on average per removal. Additionally, of the 30 task force 287(g) Memoranda of Agreements in effect, 9 identified no aliens for removal in fiscal year 2011. The Secure Communities screening process is more consistent, efficient, and cost effective in identifying and removing criminal and other priority aliens. To implement this reduction in fiscal year 2013, ICE will be discontinuing the least productive 287(g) task force agreements in those jurisdictions where Secure Communities is already in place.

EXECUTIVE OFFICE OF IMMIGRATION REVIEW

The Committee includes \$5,000,000, as requested, for reducing the nondetained docket at the Department of Justice’s Executive Office of Immigration Review [EOIR]. The Assistant Secretary of ICE is directed to brief the Committee not later than 60 days after the date of enactment of this act on how these funds will be applied nationwide, and the specific projects to be undertaken with EOIR to make improvements and expedite action on the nondetained docket.

U.S. CITIZEN CHILDREN OF REMOVED ALIENS

The Committee is aware that there may have been instances in which U.S. citizen children of aliens facing removal were subject to foster home or adopted placement without proper consultation of the child’s parents or legal guardians. Within 30 days of the enactment of this act, the Committee directs ICE to brief the Committee on the agency’s capabilities to identify, track, and report on the scope of this issue, the status of unaccompanied alien children after the removal or departure of their parent or legal guardian, and the procedures currently followed regarding children who remain in the United States after the deportation or removal of their parent. The briefing should also include details on any national guidelines or laws regarding this issue and, if appropriate, any State laws.

The Committee directs ICE to continue to submit the semiannual report on “Deportation of Parents of U.S.-Born Citizens”.

DETENTION AND REMOVAL REPORTING

ICE is directed to continue to provide semiannual detention and removal reports at the same level of detail as directed in Senate report 112–74.

FORENSIC EVIDENCE PROTOCOLS

The Committee directs CBP and ICE to brief jointly the Committee not later than April 12, 2013, on what standardized policies for treatment of forensic evidence from crime scenes against Federal officials or others when local agencies are involved are currently in use, whether or not separate memoranda of understanding are necessary with local jurisdictions, and if all guns, bullet casings, and shells are put through Federal systems such as E-trace and the National Integrated Ballistics Imaging Network.

TRAINING REGARDING HUMAN TRAFFICKING

ICE plays a critical role in investigating criminal organizations which traffic individuals into the United States. The Committee encourages ICE to work with appropriate nonprofit organizations and victim service providers to improve the training of ICE officers in the field to assist in the identification of human trafficking victims, especially children, and provide appropriate referrals to victim service organizations.

COMMITTEE RECOMMENDATIONS

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT—SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Headquarters, management, and administration:			
Personnel compensation and benefits, services, and other costs	233,251	220,122	213,959
Headquarters-managed IT investment	184,227	157,188	157,188

U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT—SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Subtotal, Headquarters, management, and administration	417,478	377,310	371,147
Legal proceedings	215,935	207,580	207,580
Investigations:			
Domestic investigations	1,725,234	1,672,526	² 1,654,916
International operations	114,928	110,370	115,370
Visa Security Program	33,889	32,616	32,616
Subtotal, Investigations	1,874,051	1,815,512	1,802,902
Intelligence	81,503	78,748	78,748
Detention and removal operations:			
Custody operations	2,050,545	1,959,363	1,986,081
Fugitive operations	154,597	132,925	132,925
Criminal Alien Program	196,696	216,724	216,724
Alternatives to detention	72,373	111,590	³ 96,687
Transportation and Removal Program	276,632	258,227	263,227
Subtotal, Detention and removal operations	2,750,843	2,678,829	2,695,644
Secure Communities	189,064	138,713	138,713
Total, Salaries and expenses	5,528,874	¹ 5,296,692	⁴ 5,294,734

¹ Includes \$17,610,000 requested for US-VISIT.² Excludes \$18,000,000 made available by transfer from US-VISIT.³ Includes \$5,000,000 for transfer to the Department of Justice.⁴ Excludes \$18,000,000 made available by transfer from US-VISIT and includes \$5,000,000 for transfer to the Department of Justice.

AUTOMATION MODERNIZATION

Appropriations, 2012	\$21,710,000
Budget estimate, 2013	30,500,000
Committee recommendation	30,500,000

The Automation Modernization account provides funds for major information technology [IT] projects for U.S. Immigration and Customs Enforcement [ICE], including the Atlas Program, modernization of TECS (formerly known as the Traveler Enforcement and Compliance System), modernization of Detention and Removal Operations' IT systems for tracking detainees (DRO Modernization), and other systems.

COMMITTEE RECOMMENDATIONS

The Committee recommends a total of \$30,500,000, the same as the request. These funds are to remain available until September 30, 2017.

The Committee directs that, of the funds made available to this account, priority shall be given to TECS modernization.

The Committee also continues the requirement for semiannual briefings on this activity.

CONSTRUCTION

Appropriations, 2012	
Budget estimate, 2013	\$5,000,000
Committee recommendation	5,000,000

This appropriation provides funding to plan, construct, renovate, equip, and maintain buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, detention, and alien registration.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$5,000,000, as requested, to remain available until September 30, 2014. The Department intends that carryover funds within the Construction account will be used for emergency repairs and alterations, especially those focused on life and safety.

TRANSPORTATION SECURITY ADMINISTRATION

The Transportation Security Administration [TSA] is charged with ensuring security across U.S. transportation systems, including aviation, railways, highways, pipelines, and waterways, and safeguarding the freedom of movement of people and commerce. Separate appropriations are provided for the following activities within TSA: aviation security; surface transportation security; transportation threat assessment and credentialing; transportation security support; and Federal Air Marshals.

COMMITTEE RECOMMENDATIONS

The Committee recommends a total program level of \$7,633,436,000 and a net of \$4,918,716,000 for the activities of TSA for fiscal year 2013.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

TRANSPORTATION SECURITY ADMINISTRATION

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Aviation Security	5,253,956	5,098,639	5,087,490
Aviation Security Capital Fund (mandatory)	250,000	250,000	250,000
Surface Transportation Security	134,748	124,276	124,276
Transportation Threat Assessment and Credentialing (direct appropriations)	163,954	192,631	192,631
Transportation Threat Assessment and Credentialing (fee-funded programs)	40,320	79,720	79,720
Transportation Security Support	1,031,926	969,709	969,709
Federal Air Marshals	966,115	929,610	929,610
Total, Transportation Security Administration (gross)	7,841,019	7,644,585	7,633,436
Offsetting Fee Collections—current law	– 2,030,000	– 2,070,000	– 2,070,000
Offsetting Fee Collections—proposed increase .....	.....	– 115,000	– 315,000
Aviation Security Capital Fund (mandatory)	– 250,000	– 250,000	– 250,000
Fee Accounts [TTAC]	– 40,320	– 79,720	– 79,720

TRANSPORTATION SECURITY ADMINISTRATION—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Total, Transportation Security Administration (net) ..	5,520,699	5,129,865	4,918,716

AVIATION SECURITY

Appropriations, 2012	\$5,253,956,000
Budget estimate, 2013	5,098,639,000
Committee recommendation	5,087,490,000

The Transportation Security Administration [TSA] Aviation Security account provides for Federal aviation security, including screening of all passengers and baggage, deployment of on-site law enforcement, continuation of a uniform set of background requirements for airport and airline personnel, and deployment of explosives detection technology.

The aviation security activities include funding for: Federal transportation security officers [TSOs] and private contract screeners; air cargo security; procurement, installation, and maintenance of explosives detection systems; checkpoint technologies and support; and other aviation regulation and enforcement activities.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$5,087,490,000 for Aviation Security, \$11,149,000 below the amount requested and \$166,466,000 below the fiscal year 2012 level.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

AVIATION SECURITY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Screening Operations	4,167,631	4,022,439	3,999,790
Aviation Security Direction and Enforcement	1,086,325	1,076,200	1,087,700
Aviation Security Capital Fund (mandatory)	[250,000]	[250,000]	[250,000]
Total, Aviation Security	5,253,956	5,098,639	5,087,490

AVIATION SECURITY FEES

The President's budget assumes fiscal year 2013 aviation security fee collections of \$2,659,000,000, including a proposal to collect an additional \$317,000,000 through an increase in the fee passengers pay. The Congressional Budget Office, in its analysis of the President's budget, has re-estimated collections from aviation security fees to be \$2,635,000,000. According to estimates by the Congressional Budget Office, this amount is made up of \$2,215,000,000 from passengers and \$420,000,000 from air carriers. The amount estimated to come from passengers includes the administration's proposal to modify aviation passenger fees in fiscal year 2013 by applying a flat fee of \$5.00 per one-way trip. The Aviation and Transportation Security Act (Public Law 107-71) mandated that

TSA impose a flat fee of \$2.50 fee for a one-way trip with no stops and a \$5.00 fee for a trip with one or more stops. This change is estimated to generate an additional \$315,000,000 in offsetting collections. The President's request proposes to dedicate \$115,000,000 of the collections to aviation security costs and \$200,000,000 to debt reduction.

Security costs covered by offsetting fee collections represented 32 percent of aviation security costs in fiscal year 2005 as compared to 24 percent in fiscal year 2012 even though passenger volume increased by 2 percent during that time period. The Committee recommendation includes bill language for fiscal year 2013 requiring a \$5.00 flat fee per one-way trip with the additional offsetting collections being assigned to aviation security. This will ensure that aviation customers, not general taxpayers, pay for a portion of the growth in aviation security costs. The additional offsetting collections generated by this change will be dedicated to aviation security. The Committee has not approved the President's proposal to provide the Secretary with permanent authority to increase aviation security fees, a proposal that should be considered by the Committee of jurisdiction.

The Committee is also concerned about the impact airline checked baggage fees are having on security at airport checkpoints. According to TSA, there has been a notable change in carry-on baggage volume that directly correlates to the imposition of these fees. This has increased checkpoint security requirements and processing times. According to DHS, in 2000, it cost less than \$1 to screen each passenger and accompanying baggage. Following the 2006 plot to use liquid explosives and the 2009 Christmas Day attempted bombing using nonmetallic explosives, TSA made significant investments in technology capable of detecting such threats. In addition, TSA has invested significant resources to streamline checked baggage screening with the installation of in-line systems, making airport lobbies more efficient and secure. In fiscal year 2011, the average cost for TSA to screen a passenger and accompanying baggage has increased to nearly \$9, due in part to airline imposed checked baggage fees that have resulted in TSA screening 56 million additional carry-on bags at airport checkpoints annually. As a result of additional carry-on luggage at airport security checkpoints, TSA estimates it is spending an additional \$260,000,000 to support passenger throughput rates, which is detracting from other security programs. The Committee encourages the Department to seek legislation authorizing TSA to recoup these costs from the airlines.

SCREENING OPERATIONS

The Committee recommends \$3,999,790,000 for TSA screening operations, \$22,649,000 below the amount requested and \$167,841,000 below the fiscal year 2012 level. The recommendation also includes a reduction of over \$100,000,000 in requested administrative reductions, management savings, and other efficiencies.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

SCREENING OPERATIONS

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Screener Workforce:			
Privatized Screening Airports	144,193	143,190	143,190
Screener personnel, compensation, and benefits	3,025,771	3,107,649	3,100,000
Subtotal, Screener Workforce	3,169,964	3,250,839	3,243,190
Screener Training and Other	249,796	225,012	225,012
Checkpoint Support	204,768	120,239	115,239
Explosives Detection Systems/Explosives Trace Detection [EDS/ ETD]:			
EDS procurement and installation	222,738	117,349	107,349
Screening technology maintenance and utilities	320,365	309,000	309,000
Subtotal, EDS/ETD Systems	543,103	426,349	416,349
Total, Screening Operations	4,167,631	4,022,439	3,999,790

PRIVATIZED SCREENING AIRPORTS

The Committee recommends \$143,190,000 for privatized screening airports, the same amount as requested in the budget and \$1,003,000 below the fiscal year 2012 level. The budget request supports funding requirements for the 17 airports that participate in the program.

TSA shall notify the Committee if the agency expects to spend less than the appropriated amount due to situations where no additional airports express interest in converting, either fully or partially, to privatized screening, or where airports currently using privatized screening convert to using Federal screeners. TSA shall adjust its PPA line items, and notify the Committee within 10 days, to account for any changes in private screening contracts, including new awards under the Screener Partnership Program [SPP], or the movement from privatized screening into Federal screening. The Committee also expects to be briefed on any proposed changes being considered for the SPP program.

As TSA implements new statutory requirements for privatized screening, the Committee expects TSA to not approve any new contract application where privatized screening does not currently exist if the annual cost of the contract exceeds the annual cost to TSA of providing Federal screening services at that airport.

SCREENER PERSONNEL, COMPENSATION, AND BENEFITS

The Committee recommends \$3,100,000,000 for screener personnel, compensation, and benefits, \$7,649,000 below the amount requested and \$74,229,000 above the fiscal year 2012 level. The recommendation includes necessary resources for TSA to staff 1,250 Advanced Imaging Technology units funded in prior years and annualize 145 behavior detection officers funded in fiscal year 2012. TSA has indicated that the last 250 AIT machines funded in fiscal year 2012 will be fielded later than originally anticipated in the budget request. Therefore, the recommended amount for AIT staffing is reduced by \$7,649,000 below the request.

The Committee does not include a statutory cap on TSA screening personnel. Consistent with the 9/11 Act, the Secretary of Homeland Security shall recruit and hire screeners as may be necessary to provide appropriate levels of aviation security and to ensure that average passenger wait times do not exceed 10 minutes.

SCREENER TRAINING AND OTHER

The Committee recommends \$225,012,000 for screener training and other, the same amount as requested in the budget and \$24,784,000 below the fiscal year 2012 level. Funds are provided to support training of Transportation Security Officers [TSOs] and other direct costs associated with TSO operations, such as: consumable supplies, checkpoint janitorial services, travel for the National Deployment Force, uniform allowances, hazardous materials disposal, and a model workforce program. The reduction from fiscal year 2012 reflects one-time costs for the initial stand up of AIT units in prior years and support for new behavior detection officers hired in fiscal year 2012. In addition, requested reductions in administrative costs and other efficiencies are included in the recommended level.

CHECKPOINT SUPPORT

The Committee recommends \$115,239,000 for checkpoint support, \$5,000,000 below the amount requested in the budget and \$89,529,000 below the fiscal year 2012 level. Funds are provided to field test and deploy equipment for passenger screening, carry-on baggage screening, checkpoint reconfiguration, electronic surveillance of checkpoints, and operational integration of systems. As requested, funds are available in fiscal year 2013 to purchase: next generation explosives trace detectors; advanced technology; and bottled liquid scanners. The reduction below the request shall be offset by an identical amount in unobligated balances for this account that have remained unspent for over 5 years. There is no reason for prior year balances to languish for such a long period of time.

FIVE-YEAR STRATEGIC PLAN OF INVESTMENTS

TSA's budget submission, as it is currently structured, provides limited understanding of TSA's total acquisition costs for passenger screening technologies and how these technologies link to TSA's near-term and long-term vision for its screening responsibilities. It is important for the Committee to have a better understanding of future acquisition needs and the resources necessary to execute them. While the budget justification includes the total number of assets necessary to meet full operating capability, it does not include a future-years financial plan to achieve the desired end state. Therefore, the Committee directs TSA to include a 5-year budget estimate within its fiscal year 2014 congressional budget justification that includes projected funding levels for the next 5 fiscal years individually for all passenger screening technology acquisitions. The plan shall also indicate the total cost and estimated completion date for each technology.

ADVANCED IMAGING TECHNOLOGY

TSA has received funding for 1,250 Advanced Imaging Technology [AIT] machines, of which approximately 700 units have been fielded. Within this amount, approximately 450 of the machines are made with a technology called “millimeter wave” and 250 machines are made with “backscatter” technology. The “millimeter wave” machines have been installed with software called “Automated Target Recognition” which automatically displays a generic outline of the passenger instead of a real image. With this technology, TSA human operators are no longer required to survey the real image. Backscatter units still require a human operator to view the passenger’s real image.

The request includes no funding for additional AIT units in fiscal year 2013 due to the time it takes to develop next generation AIT technology. The Committee is aware of efforts by TSA to pursue the procurement of enhanced AIT machines with reduced processing time, increased detection performance, and a reduction in size. In addition, the Science and Technology Directorate is working with TSA to develop a future-generation unit that would allow for an even smaller threat item to be detected and allow passengers to walk-through the unit instead of requiring the passenger to remain stationary.

TSA is to continue its frequent briefings on AIT. The briefings are to include: procurement details; cost; schedule; associated staffing requirements; utilization rates; deployments; throughput rates; progress on ATR deployment for backscatter units; progress on the development of AIT-2 and next-generation units; and any changes to requirements for full operating capability. These briefings shall also include plans to address the recommendations in the Government Accountability Office’s January 2012 classified report on AIT, including associated timelines to (1) improve the technology, (2) use the technology with other deployed technologies, and (3) address any utilization issues identified in GAO’s report. In addition, TSA shall brief on the staffing implications of using ATR as part of the AIT system and how ATR impacts AIT detection capabilities.

ADVANCED IMAGING TECHNOLOGY STUDY

Airline passengers have raised concerns that there has not been adequate study of the potential health risks that may be associated with the use of Advanced Imaging Technology [AIT] scanning machines at airport security screening checkpoints. Therefore, within the funding provided, the Committee instructs the Secretary to allocate resources for an independent study of the potential health risks associated with these technologies, including backscatter x-ray and millimeter wave technologies. The study shall be conducted by an independent laboratory selected by the Secretary, in consultation with the Nuclear and Radiation Studies Board of the National Academy of Science, the National Science Foundation, and the Science and Technology Directorate of the Department, from among laboratories with expertise in the conduct of similar studies. In addition, in consultation with the foregoing entities, the Secretary shall convene an independent panel of experts to evaluate the results of this study to consider any risk posed by AIT from a

public health perspective in addition to the individual risk to each airline passenger.

Among other things, the study should evaluate the possible malfunctions and fail-safe mechanisms of such machines as well as the radiation emissions of AIT. To the maximum extent practicable, the study shall ensure that any tests performed are replicable and the results are subject to peer review. The independent panel of experts should evaluate the results of the study as well as a review of relevant clinical and academic literature, to assess the health risks posed by AIT to certain individuals screened or affected by such machines, including: frequent air travelers; employees of the Transportation Security Administration; flight crews and other individuals who work at airports; and individuals with greater sensitivity to radiation, such as children, pregnant women, the elderly, and cancer patients. Upon completion, the Secretary shall submit to Congress a report that contains the results of the study and evaluation.

Further, the Committee directs the Secretary to ensure that easily readable signs or equivalent electronic displays are placed at the front of airline passenger checkpoint queues where AIT scanning machines are used to alert passengers to the use of such technology and the screening alternatives to passengers.

RISK-BASED SCREENING INITIATIVES

The Committee is pleased that the Transportation Security Administration plans to expand the Pre-Check pilot program from two to six participating airlines and increase the number of airport locations from 14 to 35 by the end of 2012. However, the Committee is concerned that currently only three airlines and passengers with frequent flyer status or participants in U.S. Customs and Border Protection's trusted travel programs are eligible to participate. TSA is to report to the Committee within 90 days after the date of enactment of this act on: (1) its plans to expand Pre-Check to additional airlines and passengers who currently do not qualify for the program, including a timeline and milestones; (2) statistics detailing the incremental progress being made to increase the eligible population of passengers that have access to Pre-Check and expand the number of airport locations where Pre-Check is available; (3) key indicators of success such as passenger satisfaction data; (4) projected cost savings from Pre-Check and other risk-based screening initiatives; (5) a description of efforts to ensure the public is fully aware of the program; (6) wait times for Pre-Check and non-Pre-Check lanes; and (7) a description of security measures being implemented to ensure that eligible passengers in the Pre-Check program are truly low-risk.

In addition to the establishment of Pre-Check, the Committee commends TSA for developing modified screening procedures in the past year for children under 12, the elderly, members of the military, and airline pilots.

Flight attendant association representatives testified before the Committee on March 21, 2012, that they are required to successfully complete the same background check as pilots, but are not eligible for expedited screening at airport checkpoints. The Committee is concerned that TSA's Known Crewmember pilot program is not

currently open to members of the cabin flight crew and has included bill language requiring TSA to modify the program within 270 days after the date of enactment of this act to allow for their enrollment and participation.

PRE-CLEARANCE AIRPORTS

The Committee commends TSA's efforts to work with the Canadian Government's eight pre-clearance airports, which are in the process of upgrading their checked baggage screening equipment to TSA-certified explosives detection systems equipment standards. When fully implemented, passengers arriving in the United States from these Canadian airports will not be required to have their baggage rescreened when connecting to other flights. TSA is to brief the Committee on the status of these efforts no later than 60 days after the date of enactment of this act. The briefing shall include a discussion of TSA's strategy to expand this program to other pre-clearance airports.

PASSENGER COMPLAINTS

The Committee remains concerned about the process TSA has established for resolving passenger complaints regarding wide-ranging issues related to screening, such as health concerns and alleged violations of civil rights, racial profiling, sexual harassment, and other alleged inappropriate treatment by TSA and other screening personnel. The Committee believes TSA has made some progress in this area by establishing several channels that passengers can use to submit screening complaints, such as the TSA contact center and a new external ombudsman to which individuals can turn after exhausting other avenues within TSA. In addition, the Secretary recently testified that passenger advocates will be deployed to all category X airports. While TSA has created these alternate channels for passengers to turn to, the complaint process remains cumbersome and confusing. The Committee directs TSA to improve the process for addressing passenger complaints and to better communicate to passengers key aspects of the complaints process available to them so that they have a clear understanding of their rights before entering the screening area. In addition, TSA shall also ensure that transportation security officers, as well as other screening personnel, are appropriately trained to engage passengers who may seek to file a complaint. Finally, TSA shall create a data-based system for systematically tracking passenger complaints agency-wide that includes information on, among other things, how and when complaints are resolved and communicated to complainants. Such a system will provide the Administrator with an important measuring tool to judge the success of the agency's process for addressing screening-related complaints. TSA is to brief the Committee no later than 60 days after the date of enactment of this act on its efforts to address these requirements. TSA is also required to robustly fund the new external ombudsman's office and new passenger advocates in order to respond to passengers seeking assistance.

SECURITY BREACHES

The Committee is concerned about the findings in the Department of Homeland Security Office of Inspector General Investigation Report entitled "Transportation Security Administration's Efforts to Identify and Track Security Breaches at Our Nation's Airports". The investigation found that TSA does not have a comprehensive oversight program in place to gather information about all security breaches and therefore cannot use the information to monitor trends or make general improvements to security. It further found that TSA does not provide the necessary guidance and oversight to ensure that all breaches are consistently reported, tracked, and corrected. As a result, TSA does not have a complete understanding of breaches occurring at the Nation's airports and misses opportunities to strengthen aviation security. The report details two recommendations that TSA must take to correct these issues, including refining and using only one comprehensive definition for a security breach and developing a comprehensive oversight program. The Committee expects TSA to take action to implement the recommendations as soon as possible and will monitor the progress of the reforms. In addition, not later than 30 days after the date of enactment of this act, the TSA Administrator shall submit to the Committee a report that identifies all actions taken and all planned actions, including timelines detailing when actions will be implemented, to address the recommendations made in the Office of Inspector General Investigation Report.

EXPLOSIVES DETECTION SYSTEMS

The Committee recommends \$107,349,000 in discretionary appropriations for explosives detection systems [EDS] procurement and installation, \$10,000,000 below the amount requested in the budget and \$115,389,000 below the fiscal year 2012 level. The reduction below the request shall be offset by an identical amount in unobligated balances for this account that have remained unspent for over 5 years. There is no reason for prior year balances to languish for such a long period of time. An additional \$250,000,000 in mandatory spending will be available from Aviation Security Capital Fund [ASCF] fee collections. The total discretionary and mandatory funding will allow TSA to purchase and install approximately 155 EDS units in fiscal year 2013.

Current law requires that the \$250,000,000 in annual mandatory funding deposited into the ASCF is to be available for airport security improvement projects, such as facility modifications. However, procurement and installation of EDS equipment associated with these projects is not permitted. With a diminishing base of airport applications seeking large improvement projects and the need to replace aging EDS machines currently deployed at airports, the recommendation includes bill language, as requested, to permit ASCF funding to be used to procure and install EDS equipment during fiscal year 2013. This change will allow TSA to more effectively, economically, and expeditiously plan and implement the acquisition and replacement of existing EDS units. TSA is to work with the appropriate committees of jurisdiction if it desires a permanent solution to this problem.

TSA shall brief the Committee no later than 60 days after the date of enactment of this act on its plans to upgrade all EDS units procured and deployed with its 2010 detection standards, which were established to better address current threats. The Government Accountability Office in its report (GAO-11-740) highlighted several challenges TSA has encountered in meeting these new detection standards. The briefing shall address the concerns highlighted in that report.

EXPENDITURE PLANS FOR EDS/CHECKPOINT TECHNOLOGIES

The Committee includes statutory language under the “Transportation Security Support” appropriation withholding the obligation of \$20,000,000 for headquarters administration until TSA submits to the Committee, no later than 60 days after the date of enactment of this act, detailed expenditure plans for fiscal year 2013 for checkpoint security and EDS refurbishment, procurement, and installations on an airport-by-airport basis. The withholding is included to encourage timely submissions of materials necessary for robust and informed oversight. The plans shall include specific technologies for purchase, program schedules and major milestones, a schedule for obligation of the funds, recapitalization priorities, and a table detailing actual versus anticipated unobligated balances at the close of the fiscal year. The plan shall include a new section that provides details on passenger screening pilot programs that are in progress or being considered for implementation in fiscal year 2013. Information to be addressed in this section is to include a summary of the pilot program describing what the program is attempting to achieve; potential capabilities and benefits of the program; the airports where the pilots will be operating; funding commitments; and plans for future expansion. TSA shall brief the Committee at the end of the second, third, and fourth quarters with an update on EDS and checkpoint expenditures, including an explanation of any deviation from the original plan.

INSTALLATION OF OPTIMAL BAGGAGE SCREENING SYSTEMS AND FTE SAVINGS

With the funding provided in this act and in prior appropriations acts for EDS procurement and installation, TSA is able to greatly expedite the deployment of in-line checked baggage screening systems, thereby permitting a reduction in personnel. For instance, by the end of fiscal year 2013, TSA estimates that 216 airports will have optimal checked baggage screening solutions. TSA shall report to the Committees, in tandem with the annual budget request, on the savings achieved and anticipated by fiscal year from the installation of new in-line systems.

AIRPORTS THAT HAVE INCURRED ELIGIBLE COSTS FOR IN-LINE BAGGAGE SYSTEM DEPLOYMENT

As required by the 9/11 Act, TSA is to give funding consideration to airports that incurred eligible costs for EDS and that were not recipients of funding agreements. The fiscal year 2013 EDS expenditure plan shall identify airports eligible for funding pursuant

to section 1604(b)(2) of Public Law 110–53 and funding, if any, allocated to reimburse those airports.

SCREENING TECHNOLOGY MAINTENANCE AND UTILITIES

The Committee recommends \$309,000,000 for screening technology maintenance and utilities, the same level as requested in the budget and \$11,365,000 below the fiscal year 2012 level. The reduction below fiscal year 2012 reflects requested reductions identified for administrative savings, longer warranties, and more efficient screening security equipment.

AVIATION SECURITY DIRECTION AND ENFORCEMENT

The Committee recommends \$1,087,000,000 for aviation security direction and enforcement, \$11,500,000 above the amount requested in the budget and \$1,375,000 above the fiscal year 2012 level. The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

AVIATION SECURITY DIRECTION AND ENFORCEMENT

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Aviation regulation and other enforcement	369,984	371,989	371,989
Airport management and support	570,226	569,615	569,615
Federal flight deck officer and flight crew training	25,461	12,500	24,000
Air cargo	120,654	122,096	122,096
Total, Aviation Security Direction and Enforcement	1,086,325	1,076,200	1,087,700

AVIATION REGULATION AND OTHER ENFORCEMENT

The Committee recommends \$371,989,000 for aviation regulation and other enforcement, the same level as requested in the budget and \$2,005,000 above the fiscal year 2012 level. The recommended amount provides for law enforcement and regulatory activities at airports to: ensure compliance with required security measures, respond to security incidents, and provide international support for worldwide security requirements.

The recommendation includes an increase of \$29,711,000, as requested, to annualize 12 additional multimodal Visible Intermodal Prevention and Response [VIPR] teams funded in fiscal year 2012 with 6 teams dedicated to aviation and 6 teams dedicated to surface transportation security. This amount brings the total number of VIPR teams to 37. VIPR teams were authorized by the 9/11 Act to augment the security of any mode of transportation at any location within the United States. These teams, made up of TSA employees, including Federal Air Marshals, Transportation Security Officers, surface transportation inspectors, and canine teams, are deployed to airports, rail stations, and other venues in response to intelligence-driven threats, or for deterrence through risk-based deployments. TSA shall provide an updated VIPR expenditure plan for fiscal year 2013 within 60 days after the date of enactment of

this act. TSA is to use the same format provided in the March 12, 2012, report to the Committees.

In the 2003 Vision 100—Century of Aviation Reauthorization Act, Congress directed TSA to issue “final regulations to ensure the security of foreign and domestic aircraft repair stations”. According to TSA, approval and publication of the final rule is anticipated in the fourth quarter of calendar year 2012. TSA is to brief the Committee if this timeline will not be met.

AIRPORT MANAGEMENT AND SUPPORT

The Committee recommends \$569,615,000 for airport management and support, the same level as requested in the budget and \$611,000 below the fiscal year 2012 level. Funds are provided for: the workforce to support TSA Federal security directors; Bomb Appraisal Officers; Explosives Security Specialists; the Transportation Security Operations Center; airport rent and furniture; a vehicle fleet; airport parking; and employee transit benefits.

FEDERAL FLIGHT DECK OFFICER AND FLIGHT CREW TRAINING PROGRAMS

The Committee recommends \$24,000,000 for Federal flight deck officer and flight crew training programs, \$11,500,000 above the amount requested in the budget and \$1,461,000 below the fiscal year 2012 level. Funds are provided to deputize qualified airline pilots who volunteer to be Federal law enforcement officers and to provide initial and recurrent law enforcement training. Funds are also provided for the Crew Member Self-Defense Training program for the purpose of teaching crew members basic self-defense concepts and techniques.

The Committee disagrees with the request to reduce funding for the Federal Flight Deck Officer program by 51 percent without a valid justification. The proposed cut would prevent thousands of dedicated flight crews who volunteer for this program from receiving training that could protect commercial flights and the passengers on them. The recommended amount includes a small decrease below the fiscal year 2012 enacted level, which reflects the constrained budget environment.

AIR CARGO

The Committee recommends \$122,096,000 for air cargo security activities, the same level as requested in the budget and \$1,442,000 above the fiscal year 2012 level. Funds are provided to secure the air cargo supply chain, conveyances, and people.

By August 2010, TSA achieved 100-percent screening of air cargo that is placed on passenger aircraft for domestic flights, but 100-percent screening of air cargo loaded onto inbound international passenger flights has yet to be achieved. Given recent aviation based terrorist plots, including the October 2010 plot to blow up air cargo aircraft destined for the United States, the Committee was encouraged when the Secretary directed TSA to expedite the achievement of 100-percent screening of inbound cargo from 2013 to the end of 2011. However, due to the potentially disruptive consequences this deadline would have had on the international air

cargo supply chain, DHS revised its requirement for 100-percent international inbound cargo screening to the end of 2012. TSA is to brief the Committee on its efforts to meet this deadline no later than 30 days after the date of enactment of this act. This briefing shall also include a discussion, in a classified session if appropriate, on its progress in implementing the recommendations contained in GAO-12-283SU, “Actions Needed to Address Challenges and Potential Vulnerabilities Related to Securing Inbound Air Cargo.”

The Committee includes statutory language under “Transportation Security Support” restricting \$20,000,000 from being obligated for headquarters administration until TSA submits to the Committee, no later than 60 days after the date of enactment of this act, an expenditure plan on the allocation of air cargo funds, including carryover balances. Due to delays in receiving the air cargo expenditure plan in prior years, the withholding is included to encourage timely submissions of materials necessary for robust and informed oversight.

SURFACE TRANSPORTATION SECURITY

Appropriations, 2012	\$134,748,000
Budget estimate, 2013	124,276,000
Committee recommendation	124,276,000

Surface transportation security provides funding for personnel and operational resources to assess the risk of a terrorist attack on nonaviation modes of transportation, standards and procedures to address those risks, and to ensure compliance with established regulations and policies.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$124,276,000 for surface transportation security, the same amount as requested in the budget and \$10,472,000 below the fiscal year 2012 level. Funds are available to assess the risk of terrorist attacks for all nonaviation transportation modes, issue regulations to improve the security of those modes, and enforce regulations to ensure the protection of the transportation system. The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

SURFACE TRANSPORTATION SECURITY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Staffing and operations	38,514	36,711	36,711
Surface transportation security inspectors and canines	96,234	87,565	87,565
Total, Surface Transportation Security	134,748	124,276	124,276

SURFACE TRANSPORTATION SECURITY STAFFING AND OPERATIONS

The Committee recommends \$36,711,000 for surface transportation security staffing and operations, the same amount as requested in the budget and \$1,803,000 below the fiscal year 2012 level.

SURFACE TRANSPORTATION SECURITY INSPECTORS AND CANINES

The Committee recommends \$87,565,000 for surface transportation security inspectors and canines, the same amount as requested in the budget and \$8,669,000 below the fiscal year 2012 level.

Since 2004, there have been 1,300 terrorist attacks worldwide against mass transit, buses, and passenger rail, resulting in more than 4,000 deaths and 14,000 injuries. It is now more important than ever to increase our defenses against similar attacks here in the United States. Intelligence gathered from Osama bin Laden's compound revealed evidence that al Qaeda considered rail lines high-value targets. TSA is to brief the Committee no later than 90 days after the date of enactment of this act on its multimodal technology pilots and initiatives. The briefing shall include a summary of all technology pilot programs/initiatives TSA will have operating or has planned for fiscal year 2013; what each program/initiative is attempting to achieve; potential capabilities and benefits of the program/initiative; locations of each program/initiative; and plans for future expansion.

TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

Appropriations, 2012	\$163,954,000
Budget estimate, 2013	192,631,000
Committee recommendation	192,631,000

Transportation threat assessment and credentialing includes several TSA credentialing programs: Secure Flight, Crew Vetting, Screening Administration and Operations, Registered Traveler, Transportation Worker Identification Credential, Hazardous Materials Commercial Drivers License Endorsement Program, and Alien Flight School.

COMMITTEE RECOMMENDATIONS

The Committee recommends a direct appropriation of \$192,631,000 for transportation threat assessment and credentialing, the same level as requested in the budget and \$28,677,000 above the fiscal year 2012 level. In addition, an estimated \$79,720,000 in fee collections is available for these activities in fiscal year 2013, as proposed in the budget.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Direct Appropriations:			
Secure Flight	92,414	107,074	107,074
Crew and other vetting programs	71,540	85,557	85,557
Subtotal, direct appropriations	163,954	192,631	192,631
Fee Collections:			
Transportation worker identification credential	8,300	47,300	47,300
Hazardous materials	12,000	12,000	12,000

TRANSPORTATION THREAT ASSESSMENT AND CREDENTIALING—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Alien flight school (transfer from DOJ)	4,000	5,000	5,000
Certified cargo screening program	5,200	7,200	7,200
Large aircraft security program	1,200	.....	.....
Secure identification display area checks	8,000	8,000	8,000
Other security threat assessments	100	120	120
General aviation at DCA	100	100	100
Indirect air cargo	1,400	.....	.....
Sensitive security information	20	.....	.....
Subtotal, fee collections	40,320	79,720	79,720

SECURE FLIGHT

The Committee recommends \$107,074,000 for Secure Flight, the same amount as requested in the budget and \$14,660,000 above the fiscal year 2012 level. As recommended by the 9/11 Commission and mandated by the Intelligence Reform Act, this program transferred the responsibility of airline passenger watch list matching from the air carriers to the Federal Government.

The Committee recommendation includes \$7,000,000 for Secure Flight to provide more robust pre-screening of passengers participating in Pre-Check and an increase of \$12,717,000 as requested for watchlist screening for passengers of large general aviation aircraft. The Intelligence Reform Act of 2004 mandates that DHS make advanced passenger pre-screening available to charter and lessors of aircraft greater than 12,500 pounds flying into, out of, or within the United States. A rule on large aviation aircraft is expected to be published by February 2013.

CREW AND OTHER VETTING PROGRAMS

The Committee recommends \$85,557,000 for Crew and Other Vetting Programs, the same amount as requested in the budget and \$14,017,000 above the fiscal year 2012 level.

The Committee supports TSA's efforts to modernize its vetting and credentialing infrastructure, which is currently made up of disconnected and duplicative systems. This has resulted in high-system complexity and lengthy adjudication processes due to manual reviews. TSA intends to modernize its system to address these issues and improve vetting and credentialing services. Following several delays in the development of this system, TSA has refined its acquisition strategy, awarded a contract for system development, and now appears to be on track to achieve initial operating capability in 2013. The Committee is also encouraged by TSA's new lifecycle cost estimate, which was reduced substantially from projections made in the early stages of this acquisition. The Committee fully funds the requested increase of \$30,000,000 for a total of \$57,700,000 in fiscal year 2013 and expects TSA to continue its quarterly briefings on its efforts to develop this new vetting system.

TRANSPORTATION WORKER IDENTIFICATION CREDENTIAL

The Committee is concerned that Transportation Worker Identification Credential [TWIC] applicants are required to make multiple trips to TWIC enrollment centers, which are occasionally at some distance from the applicants' homes or places of work. The Committee directs TSA to expand Universal Enrollment Centers, which will result in no less than a 50 percent expansion in the number of available TWIC enrollment sites. Furthermore, TSA is to brief the Committee no later than June 22, 2012, on the projected resource requirements, security impacts, and a potential timeline to effect changes in the TWIC enrollment system to permit cards to be shipped directly to the recipient.

TRANSPORTATION SECURITY SUPPORT

Appropriations, 2012	\$1,031,926,000
Budget estimate, 2013	969,709,000
Committee recommendation	969,709,000

The transportation security support account supports the operational needs of TSA's extensive airport/field personnel and infrastructure. Transportation security support includes: headquarters' personnel, pay, benefits, and support; intelligence; mission support centers; human capital services; and information technology support.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$969,709,000 for transportation security support activities, the same amount as requested in the budget and \$62,217,000 below the fiscal year 2012 level.

The following table summarizes the Committee's recommendations compared to the fiscal year 2012 and budget request levels:

TRANSPORTATION SECURITY SUPPORT

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Headquarters administration	292,334	281,554	281,554
Information technology	447,200	417,196	417,196
Human capital services	249,400	225,829	225,829
Intelligence	42,992	45,130	45,130
Total, Transportation Security Support	1,031,926	969,709	969,709

HEADQUARTERS ADMINISTRATION

The Committee recommends \$281,554,000 for headquarters administration, the same amount as requested in the budget and \$10,780,000 below the fiscal year 2012 level.

The recommendation includes the requested reduction for management efficiencies, administrative savings, and operational support.

TSA shall continue semiannual briefings on covert testing activities, to include the latest metrics gathered from recent tests and resulting mitigating factors.

The Committee includes bill language withholding the obligation of \$20,000,000 for headquarters administration until: fiscal year 2013 expenditure plans for air cargo security, explosives detection systems procurement and installation, and checkpoint support are provided to the Committee. The expenditure plans are due no later than 60 days after the date of enactment of this act.

BUDGET STRUCTURE

The Committee directs TSA to include a proposal in its fiscal year 2014 congressional justification that creates a 1-year appropriation for salaries and related expenses. The Committee believes that TSA, like all other Departmental components, should receive appropriations for these purposes with the expectation that the funds will be obligated within a 1-year window or expire and be returned to the Treasury. TSA is to continue its consultation with the Committee as it develops its fiscal year 2014 proposal.

INFORMATION TECHNOLOGY

The Committee recommends \$417,196,000 for information technology, the same amount as requested in the budget and \$30,004,000 below the fiscal year 2012 level. This reduction includes management efficiencies, enterprise wide efficiencies, and administrative savings.

HUMAN CAPITAL SERVICES

The Committee recommends \$225,829,000 for human capital services, the same amount as requested in the budget and \$23,571,000 below the fiscal year 2012 level.

This reduction includes management efficiencies, administrative savings, and other one-time costs no longer necessary to support hires funded in prior years.

INTELLIGENCE

The Committee recommends \$45,130,000 for the Office of Intelligence, the same amount as requested in the budget and \$2,138,000 above the fiscal year 2012 level.

RISK-BASED DECISIONMAKING AND BUDGETING

The Committee directs TSA to submit, concurrent with the fiscal year 2014 budget request, supporting documentation that explicitly explains how TSA’s comprehensive risk assessments for all transportation modes were used to allocate resources across and within each mode. This documentation should also identify the corresponding allocation of resources being proposed in the budget request (by appropriations account, program, project, and activity) that address these priorities. This annual submission shall be made in classified or unclassified formats, as appropriate.

FEDERAL AIR MARSHALS

Appropriations, 2012	\$966,115,000
Budget estimate, 2013	929,610,000
Committee recommendation	929,610,000

The Federal Air Marshals [FAMs] protect the air transportation system against terrorist threats, sabotage, and other acts of violence. The FAMs account provides funds for the salaries, benefits, travel, training, and other expenses of the program.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$929,610,000 for the Federal Air Marshals, the same amount as requested in the budget and \$36,505,000 below the fiscal year 2012 level.

The Committee directs TSA to submit quarterly reports on mission coverage, staffing levels, and hiring rates as in prior years.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

FEDERAL AIR MARSHALS

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Management and administration	842,500	815,639	815,639
Travel and training	123,615	113,971	113,971
Total, Federal Air Marshals	966,115	929,610	929,610

UNITED STATES COAST GUARD

SUMMARY

The Coast Guard's primary responsibilities are the enforcement of all applicable Federal laws on the high seas and waters subject to the jurisdiction of the United States; promotion of safety of life and property at sea; assistance to navigation; protection of the marine environment; and maintenance of a state of readiness to function as a specialized service in the Navy in time of war, as authorized by sections 1 and 2 of title 14, United States Code.

The Commandant of the Coast Guard reports directly to the Secretary of the Department of Homeland Security.

COMMITTEE RECOMMENDATIONS

The President's fiscal year 2013 discretionary budget request proposes to reduce funding for the Coast Guard by 3.3 percent, including the reduction of over 1,000 military billets, the decommissioning of critical operational assets, and a significant reduction in capital expenditures at a time when major Coast Guard cutters average over 43 years of age. If the budget request were to be enacted, the Coast Guard's ability to carry out its 11 statutory missions would be seriously hampered. The recommended level provided for in this bill includes targeted increases above the President's request to ensure that Coast Guard personnel serving on the front lines have the resources to accomplish their many missions in fiscal year 2013 and in the future.

The Committee recommends a total program level of \$10,335,532,000 for the activities of the Coast Guard for fiscal year 2013. When costs for overseas contingency operations are excluded, the recommendation for the Coast Guard is \$306,601,000 and 363

positions above the request. The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

COAST GUARD—FUNDING SUMMARY

[In thousands of dollars]

	Fiscal year 2012 enacted ¹	Fiscal year 2013 budget request ²	Committee recommendations ³
Operating Expenses	7,051,054	6,791,178	7,073,479
Environmental Compliance and Restoration	13,500	13,162	13,162
Reserve Training	134,278	132,554	132,554
Acquisition, Construction, and Improvements	1,403,924	1,192,309	1,470,609
Research, Development, Test, and Evaluation	27,779	19,728	19,728
Health Care Fund Contribution (Permanent Indefinite Appropria- tions)	261,871	203,000	203,000
Retired Pay	1,440,157	1,423,000	1,423,000
Total, Coast Guard	10,332,563	9,774,931	10,335,532

¹ Includes \$258,000,000 for overseas contingency operations.

² Excludes a permissive transfer of up to \$254,461,000 from "Operation and Maintenance, Navy" for overseas contingency operations.

³ Includes \$254,000,000 for overseas contingency operations.

The Coast Guard will pay an estimated \$203,000,000 in fiscal year 2013 to the Medicare-Eligible Retiree Health Care Fund for the costs of military Medicare-eligible health benefits earned by its uniformed servicemembers. The contribution is funded by permanent indefinite discretionary authority pursuant to the National Defense Authorization Act for fiscal year 2005 (Public Law 108–375).

OPERATING EXPENSES

Appropriations, 2012 ¹	\$7,051,054,000
Budget estimate, 2013 ²	6,791,178,000
Committee recommendation ³	7,073,479,000

¹ Includes \$258,000,000 for overseas contingency operations.

² Excludes a permissive transfer of up to \$254,461,000 from "Operation and Maintenance, Navy" for overseas contingency operations.

³ Includes \$254,000,000 for overseas contingency operations.

The Operating Expenses appropriation provides funds 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. The program activities of this appropriation fall into the following categories:

Search and Rescue.—As one of its earliest and most traditional missions, the Coast Guard maintains a nationwide system of boats, aircraft, cutters, and rescue coordination centers on 24-hour alert.

Aids to Navigation.—To help mariners determine their location and avoid accidents, the Coast Guard maintains a network of manned and unmanned aids to navigation along the Nation's coasts and on its inland waterways. In addition, the Coast Guard operates radio stations in the United States and abroad to serve the needs of the armed services and marine and air commerce.

Marine Safety.—The Coast Guard ensures compliance with Federal statutes and regulations designed to improve safety in the merchant marine industry and operates a recreational boating safety program.

Marine Environmental Protection.—The primary objectives of the marine environmental protection program are to minimize the dangers of marine pollution and to assure the safety of ports and waterways.

Enforcement of Laws and Treaties.—The Coast Guard is the principal maritime enforcement agency with regard to Federal laws on the navigable waters of the United States and the high seas, including fisheries, drug smuggling, illegal immigration, and hijacking of vessels.

Ice Operations.—In the Arctic and Antarctic, Coast Guard icebreakers escort supply ships, support research activities and Department of Defense operations, survey uncharted waters, and collect scientific data. The Coast Guard also assists commercial vessels through ice-covered waters.

Defense Readiness.—During peacetime, the Coast Guard maintains an effective state of military preparedness to operate as a service in the Navy in time of war or national emergency at the direction of the President. As such, the Coast Guard has primary responsibility for the security of ports, waterways, and navigable waters up to 200 miles offshore.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$7,073,479,000 for Coast Guard Operating Expenses, including \$24,500,000 from the Oil Spill Liability Trust Fund and \$535,000,000 for Coast Guard defense-related activities. Of this amount, the Committee recommends not to exceed \$15,300 for official reception and representation expenses.

The recommended funding level is \$282,301,000 above the request and \$22,425,000 above the fiscal year 2012 level. The Committee's recommendation is \$28,301,000 above the comparable net request for Coast Guard Operating Expenses when excluding funds provided for overseas contingency operations.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

OPERATING EXPENSES

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Military pay and allowances	3,413,061	3,415,595	3,429,023
Civilian pay and benefits	784,256	790,130	790,389
Training and recruiting	213,321	212,761	214,115
Operating funds and unit level maintenance	1,109,623	1,092,419	1,098,257
Centrally managed accounts	336,653	350,178	351,011
Intermediate and depot level maintenance	936,140	930,095	936,684
Overseas contingency operations	258,000	(¹)	254,000
Total, Operating Expenses	7,051,054	6,791,178	7,073,479

¹ Excludes a permissive transfer of up to \$254,461,000 from "Operation and Maintenance, Navy" for overseas contingency operations.

OVERSEAS CONTINGENCY OPERATIONS

The Committee provides \$254,000,000 for Coast Guard operations in support of overseas contingency operations. While funding for these activities is requested in the Department of Defense budget for the Navy, the Committee adopted a practice beginning in the

fiscal year 2009 Supplemental Appropriations Act to appropriate these amounts directly to the Coast Guard. The Committee continues this practice and urges the administration to budget for Coast Guard overseas contingency operations under the Department of Homeland Security in future budget requests. The Coast Guard shall brief the Committee no later than 30 days after the date of enactment of this act on any changes expected during fiscal year 2013 or projected transition costs expected in fiscal year 2014 to support overseas contingency operations.

HIGH ENDURANCE CUTTER DECOMMISSIONINGS

The budget request proposes to decommission two high endurance cutters [HECs] and 389 associated billets due to the fact that the HEC fleet has become increasingly difficult to maintain and sustain operationally. The request also notes that the loss of major cutter hours from this reduction will be mitigated when new, more capable National Security Cutters [NSCs] are delivered. To date, three HECs have been decommissioned and the Coast Guard has delivered three National Security Cutters to replace them. The fourth NSC is under production and scheduled for delivery in fiscal year 2014 and the fifth NSC is under contract and scheduled for delivery in fiscal year 2016. The decommissioning of two additional HECs in fiscal year 2013 would result in a significant mission hour gap until these replacement NSCs are ready for Coast Guard operations. This decision would limit the Coast Guard's ability to perform drug and illegal migrant interdiction, fisheries enforcement, and other missions requiring the offshore operating capabilities of a HEC. Therefore, the recommendation includes an additional \$8,000,000 and 199 positions to maintain one of the two HECs proposed to be decommissioned in the request, saving 1,665 major cutter hours that otherwise would have been cut.

In fiscal year 2010, the Committee appropriated \$4,000,000 for the Coast Guard to assess the HEC fleet to determine the most effective use of funds to operate the vessels until replaced by the NSCs. Unfortunately, minimal work has been put into this effort with less than \$800,000 of this funding being obligated since October 2009. Given the delays in deploying the remaining NSCs, the Coast Guard is urged to accelerate work in this area. If the Coast Guard cannot use the remaining funds for this purpose, the Committee encourages the Coast Guard to submit a transfer request to use these funds to address its backlog of deferred maintenance on its major cutters.

PATROL BOATS

The budget request proposes to decommission three 110-foot patrol boats and 70 associated billets in fiscal year 2013. The request also proposes to reduce funding that allows for a higher level of programmed resource hours for eight legacy patrol boats through use of multiple crews and intensive maintenance. The request points to the delivery of more capable Fast Response Cutters [FRCs] to mitigate the loss of hours from these reductions. While the Committee agrees that the FRC is superior to legacy patrol boats, the delivery schedule for the new cutters is such that the loss of patrol boat hours in fiscal year 2013 that would occur under

the budget request will not be mitigated by new FRCs until fiscal year 2014. This would only serve to exacerbate the Coast Guard's current patrol boat hour gap. In fiscal year 2011, the Coast Guard's patrol boat fleet completed 74,325 resource hours, 25,075 hours short (25 percent) of its 1998 baseline. If the fiscal year request were approved, available patrol boat hours would be reduced by another 11,760 hours. The Committee finds this proposed reduction unacceptable as it would have a negative impact on the Coast Guard's ability to conduct counter drug operations, migrant interdiction activities, search and rescue, and other critical missions. Therefore, the Committee includes \$12,000,000 to restore the proposed decommissionings of three 110-foot patrol boats and temporarily increase the programmed operating hours of in-service patrol boats to mitigate the fiscal year 2013 operational hour gap that would otherwise occur until an appropriate number of new FRCs become operational.

SEASONAL AIR FACILITIES

The Committee denies the request to replace five HH-65 helicopters in operation at Air Station Traverse City with three HH-60 helicopters and to close two seasonal Air Facilities at Muskegon, Michigan and Waukegan, Illinois. The request proposes to eliminate immediate air support during the summer months from areas where there is heavy boat traffic and significant search and rescue requirements. The helicopters stationed at these seasonal Air Facilities along Lake Michigan are critical to the safety of Great Lakes mariners and recreational users. In addition, the Committee is also concerned that two of the HH-60 aircraft proposed to be transferred to Air Station Traverse City would be taken from Operation Bahamas, Turks and Caicos, resulting in a loss of 470 annual hours dedicated to drug and migrant interdiction and search and rescue in that area of responsibility.

MARINE ENVIRONMENTAL RESPONSE

Recent oil spills including the M/V Cosco Busan in 2007 and the Mobile Offshore Drilling Unit Deepwater Horizon in 2010 stress the importance of having well-trained and readily deployable incident managers and pollution responders throughout the Coast Guard. The Coast Guard has responsibility to respond, investigate, and ensure removal of oil and hazardous substances that are released in pollution incidents. In the event pollution occurs, it is critical to have the capacity and competency to respond without severely degrading performance of other missions. As the economy rebounds and pressure to produce natural resources from the marine environment escalates, demand for marine environmental response is expected to grow. Unfortunately, the request proposes to cut the number of personnel added in fiscal year 2012 for this effort from 87 to 61. The Committee denies this request and includes \$3,100,000 to fully fund 26 additional marine environmental response positions for fiscal year 2013. The Committee expects the Coast Guard to continue hiring throughout fiscal year 2012 to achieve the hiring goal of 87 positions funded by Congress. With the addition of these 26 positions, the total number of marine environmental positions funded in fiscal year 2013 is estimated to be

718. The Coast Guard shall keep the Committee apprised of hiring efforts in fiscal year 2013 to achieve this level and report to the Committee within 15 days if it deviates from this plan. The Committee also notes that a congressionally required report on marine environmental response is overdue and should be submitted immediately. As required in fiscal year 2012, the marine environmental response plan is to include a 5-year strategic plan, including comprehensive funding estimates, to implement mission requirements.

OIL SPILL RESPONSE PLAN

The Committee is aware of the Coast Guard's efforts to update its plans to ensure a prompt response to a spill from drilling activities off the coast of Cuba that could impact the United States. Extensive planning has been ongoing in this area and the Coast Guard has been working with the Bureau of Safety and Environmental Enforcement to conduct multilateral seminars to help prepare for and respond to an oil discharge in the Caribbean. The Coast Guard is to brief the Committee on its evolving efforts to enhance regional readiness and protect U.S. interests no later than 30 days after the date of enactment of this act.

SUPPORT OF MILITARY FAMILIES

The Committee believes that the well-being of military families should be a top priority for the Coast Guard. For housing military families and unaccompanied personnel, the Coast Guard primarily relies on the Basic Allowance for Housing for community-based housing or constructing or leasing housing when affordable community housing is not available. Currently, the Coast Guard maintains 3,978 housing units across the country and spends approximately \$27,000,000 annually to maintain them. The Committee understands the Coast Guard is in the process of conducting a National Housing Assessment to evaluate the current state of the housing inventory, develop standards, and recommend specific improvement initiatives. The Coast Guard is to submit a copy of this report to the Committee not later than 30 days after the date of enactment of this act. The report shall prioritize short-term and long-term improvement needs for military family housing, including resource requirements. The Committee recommends an additional \$10,000,000 in "Acquisition, Construction, and Improvements" to address the highest priority needs resulting from this assessment.

MANAGEMENT EFFICIENCIES AND OFFSETS

The Committee recommendation assumes \$89,244,000, as proposed in the budget, for various reductions resulting from efficiencies and administrative offsets. No later than 120 days after the date of enactment of this act, the Coast Guard is directed to brief the Committee on how such efficiencies and other reductions will be achieved. The briefing shall include a detailed listing of the specific efficiencies and offsets taken to achieve the targeted reductions and the impact of such actions on Coast Guard missions. The briefing shall also address any shortfalls related to rising energy prices and what activities are being diverted to address them.

STEM-TO-STERN REVIEW OF DEPLOYABLE FORCES

As the Commandant discussed in his 2011 State of the Coast Guard address, he has ordered a “stem-to-stern” review of Coast Guard Deployable Specialized Forces and their concept of operations. The purpose of the review is to look at required capabilities, training, tactics, equipment, procedures, and resources. The Coast Guard is to keep the Committee apprised on how the review’s outcomes are being executed.

SMALL VESSEL SECURITY

The recommendation for the Domestic Nuclear Detection Office [DNDO] includes \$8,900,000 for the procurement of new systems for the Coast Guard and U.S. Customs and Border Protection [CBP] that will improve the efficiency of scanning vessels under 300 tons for nuclear threats. According to information provided by DNDO, various technologies are being evaluated by DHS and a recommended solution will be selected by the end of fiscal year 2012. The Coast Guard, in tandem with CBP and DNDO, shall brief the Committee on acquisition and deployment plans for this effort no later than 60 days after the date of enactment of this act.

FINANCIAL MANAGEMENT OVERSIGHT

The Coast Guard shall continue to periodically brief the Committee on its efforts to address material weaknesses in its financial management enterprise that prevent accurate, complete, and timely financial information. These weaknesses have contributed to the inability of financial auditors to provide a complete unqualified opinion on the Department’s balance sheets. The Committee is aware of individual Analyses of Alternatives [AoA] being conducted by the Coast Guard to improve its core financial systems. The Coast Guard, in tandem with the Office of the Chief Financial Officer, is to brief the Committee on the preferred solution before funds can be obligated to initiate improvement efforts. The briefing is to include total resource requirements by fiscal year and a timeline for implementation with discrete milestones.

INFRASTRUCTURE AND RESPONSE CAPABILITIES IN THE ARCTIC

Section 307 of the Coast Guard Authorization Act of 2010 (Public Law 111–281), encouraged the Secretary of Homeland Security to “enter into negotiations through the International Maritime Organization to conclude and execute agreements to promote coordinated action” among Arctic nations to ensure adequate infrastructure and response capabilities in the Arctic. Within 90 days after the date of enactment of this act, the Coast Guard shall report to the Committee on the actions that have been taken to reach international agreements on ensuring adequate maritime transportation infrastructure and response capabilities in the Arctic.

COAST GUARD YARD

The Committee recognizes the Coast Guard Yard at Curtis Bay, Maryland, is a critical component of the Coast Guard’s core logistics capability which directly supports fleet readiness. The Committee further recognizes the Yard has been a vital part of the

Coast Guard's readiness and infrastructure for more than 100 years and believes that sufficient industrial work should be assigned to the Yard to maintain this capability.

SEXUAL HARASSMENT REPORTING REQUIREMENTS

The Coast Guard shall provide to the Committee the annual report required by section 217 of the Coast Guard Authorization Act of 2010.

REPORTING REQUIREMENTS WITHOLDING

In an effort to encourage timely submissions to the Committees of materials necessary for robust and informed oversight, the Committee withholds \$75,000,000 from obligation from the Coast Guard's "Headquarters Directorates" until the comprehensive 5-year Capital Investment Plan for fiscal years 2014–2018 has been submitted to the Committee.

EXECUTIVE TRANSPORTATION AIRCRAFT

The Coast Guard shall include in its annual justification any plans to alter the executive transportation aircraft program.

CHEMICAL SECURITY

The Coast Guard and the National Protection and Programs Directorate are to complete the planned Memorandum of Understanding [MOU] to harmonize chemical security responsibilities established by Chemical Facilities Anti-Terrorism Standards [CFATS] regulations and Maritime Transportation Security Act [MTSA] regulatory programs immediately. Congress directed the MOU to be completed no later than March 30, 2012, but the agreement has not been finalized.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

Appropriations, 2012	\$13,500,000
Budget estimate, 2013	13,162,000
Committee recommendation	13,162,000

The Environmental Compliance and Restoration account provides funds to address environmental problems at former and current Coast Guard units as required by applicable Federal, State, and local environmental laws and regulations. Planned expenditures for these funds include major upgrades to petroleum and regulated substance storage tanks, restoration of contaminated ground water and soils, remediation efforts at hazardous substance disposal sites, and initial site surveys and actions necessary to bring Coast Guard shore facilities and vessels into compliance with environmental laws and regulations.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$13,162,000 for environmental compliance and restoration, \$338,000 below the fiscal year 2012 level and the same as the budget request. The Coast Guard is directed to include in its annual budget justification a listing of the activities projected to be funded by the amount requested under this heading and an updated backlog report for Environmental Compli-

ance and Restoration projects, with an explanation of how the amount requested will impact this documented backlog.

RESERVE TRAINING

Appropriations, 2012	\$134,278,000
Budget estimate, 2013	132,554,000
Committee recommendation	132,554,000

COMMITTEE RECOMMENDATIONS

The Committee recommends \$132,554,000 for Reserve Training, \$1,724,000 below the fiscal year 2012 level and the same as the budget request.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

Appropriations, 2012	\$1,403,924,000
Budget estimate, 2013	1,192,309,000
Committee recommendation	1,470,609,000

Funding in this account supports the acquisition, construction, and improvement [AC&I] of vessels, aircraft, information management resources, shore facilities, aids to navigation, and military housing required to execute the Coast Guard’s missions and achieve its performance goals.

Vessels.—The vessel program provides funding to recapitalize and/or improve the Coast Guard’s fleet of aging boats and cutters.

Aircraft.—The aircraft program is the primary recapitalization and sustainment effort for the Coast Guard’s aging aircraft.

Other Equipment.—The Coast Guard invests in numerous management information and decision support systems that will result in increased efficiencies, including Rescue 21 (formerly the National Distress and Response System Modernization Project), and the Nationwide Automatic Identification System.

Shore Facilities and Aids to Navigation.—The Coast Guard invests in the acquisition, construction, rebuilding, and improvement of shore facilities, aids to navigation, and related equipment.

Military Housing.—The Coast Guard invests in Military Housing facilities to ensure military members have access to housing in areas where there is a lack of affordable accommodations.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$1,470,609,000 for acquisition, construction, and improvements, including \$20,000,000 from the Oil Spill Liability Trust Fund. The recommended amount is \$278,300,000 above the request and \$66,685,000 above the fiscal year 2012 level.

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Vessels:			
Survey and Design—Vessel and Boats	6,000	2,500	2,500
Response Boat Medium	110,000		8,000

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
In-Service Cutter Sustainment	14,000	.....	.....
National Security Cutter	77,000	683,000	722,300
Offshore Patrol Cutter	25,000	30,000	30,000
Fast Response Cutter	358,000	139,000	335,000
Cutter Boats	5,000	4,000	4,000
Medium Endurance Cutter Sustainment	47,000	13,000	13,000
Polar Icebreaking Vessel .....	.....	8,000	8,000
Subtotal, Vessels	642,000	879,500	1,122,800
Aircraft:			
CGNR 6017 Airframe Replacement	18,300	.....	.....
Maritime Patrol Aircraft	129,500	43,000	43,000
HH-60 Conversion Projects	56,100	.....	.....
Long Range Surveillance Aircraft	62,000	.....	.....
DOD transfer pursuant to Public Law 112-74 (C-130J)	(63,500)	.....	.....
HH-65 Conversion/Sustainment Projects	24,000	31,500	31,500
Subtotal, Aircraft	289,900	74,500	74,500
Other Acquisition Programs:			
Program Oversight and Management	26,000	25,000	25,000
Systems Engineering and Integration	17,140	2,500	2,500
C4ISR	38,500	40,500	40,500
CG-Logistics Information Management System [CG-LIMS]	6,500	2,500	2,500
National Automatic Identification System	5,000	6,000	6,000
Rescue 21	65,000	.....	.....
Interagency Operations Centers	3,000	.....	.....
Subtotal, Other Acquisition Programs	161,140	76,500	76,500
Shore Facilities and Aids to Navigation:			
Major Shore, ATON, and Survey and Design	92,500	15,000	15,000
Major Acquisition Systems Infrastructure	81,500	49,411	49,411
Minor Shore	6,292	5,000	5,000
Subtotal, Shore Facilities and Aids to Navigation	180,692	69,411	69,411
Military Housing	20,000	.....	10,000
Personnel and Related Support:			
Core Acquisition Costs	600	600	600
Direct Personnel Costs	109,592	116,798	116,798
Subtotal, Personnel and Related Support	110,192	117,398	117,398
Rescission of Unexpended Funds .....	.....	-25,000	¹ (-25,000)
Total, Acquisition, Construction, and Improvements ...	1,403,924	1,192,309	1,470,609

¹ Included as a general provision.

CAPITAL INVESTMENT PLAN

The fiscal year 2012 statutory requirement for the Department to submit a comprehensive multiyear investment plan for major capital assets has not been met. This report is critical for the Committee to carry out its oversight function of the Coast Guard, especially at a time when recapitalization of aging assets has become so critical for the service. All of the information required by the

Committee is in accordance with the Coast Guard's Major Systems Acquisition Manual and applicable Department of Homeland Security management directives. The Committee expects the fiscal year 2013–2017 plan to be submitted with all due speed. To encourage a more timely submission in fiscal year 2013, the Committee has withheld \$75,000,000 from the Headquarters Directorate of the Coast Guard. In addition, 59 percent of funding appropriated to the Office of the Secretary, Office of the Under Secretary for Management, and Office of the Chief Financial Officer is withheld until all statutorily required expenditure plans, investment plans, and acquisition plans are submitted to the Committees.

QUARTERLY ACQUISITION BRIEFINGS

The Coast Guard is to continue quarterly briefings on all major acquisitions. In addition to the information normally provided for each asset, these briefings shall include: the top five risks for each acquisition, if applicable, consistent with those on the risk watch list in quarterly program manager reports, and if the risks have future budget implications; the objective for operational hours the Coast Guard expects to achieve; the gap between that objective, current capabilities, and stated mission requirements; and how the acquisition of the specific asset closes the gap. The information presented at these required briefings shall also include a discussion of how the Coast Guard calculated the operational hours, an explanation on risks to mission performance associated with the current shortfall, and the operational strategy to mitigate such risks. Finally, the briefings are to include a status chart on all shore construction projects that have not been completed. For each construction project, the chart is to include the funding status, design status, and procurement and construction status.

PROGRAM OF RECORD

The Coast Guard's Program of Record [POR] was developed based on mission requirements established in its 2004 Deepwater Mission Need Statement [MNS]. The 2004 MNS examined the Coast Guard's maritime role post-September 11, 2001, gaps in requirements, and capabilities necessary to carry out its responsibilities. The POR includes the assets and acquisitions necessary to meet the requirements of the 2004 MNS and has guided the Coast Guard as it recapitalizes its fleet of aging ships and aircraft. For instance, the POR includes a requirement of eight National Security Cutters, 25 Offshore Patrol Cutters, 58 Fast Response Cutters, 36 Maritime Patrol Aircraft, new communications systems across the fleet, and upgrades to several legacy cutters and aircraft. In recent years, questions have been raised about the ability to achieve this mix of assets in terms of cost and schedule within budget constraints, including those in the Budget Control Act of 2011. Most recent estimates indicate the POR could cost as much as \$29,300,000,000 to complete by 2031. While the Committee does not believe that Coast Guard requirements should be modified to meet an arbitrary spending topline, the Committee expects the Coast Guard to be considering various options within the POR if budget toplines make it unrealistic to achieve. Therefore, the Secretary and the Commandant shall develop a working group of ex-

perts to examine available studies on Coast Guard fleet requirements to identify various options that fit in expected and realistic budget parameters. For the options identified, the analysis should include cost, capability, quantity tradeoffs, and the overall impact to the Coast Guard's ability to carry out its many statutory mission requirements. The Department shall provide the results of this analysis to the Committee no later than 180 days after the date of enactment of this act.

RESPONSE BOAT-MEDIUM

The Committee recommends \$8,000,000 for the Response Boat-Medium [RB-M] acquisition. The Committee disagrees with the request to end RB-M production 14 boats short of the 180 boats required to complete the program. The RB-Ms are meeting or exceeding all performance expectations; and there is a demonstrated requirement for the remaining boats. To date, 89 RB-Ms have been delivered on time and on budget. These funds will allow the Coast Guard to purchase 4 RB-Ms in fiscal year 2013, bringing the total funded to 170 of 180 boats. The RB-M is a critical asset for the Coast Guard to replace aging 41-foot Utility Boats that are less able to handle Coast Guard mission requirements, particularly maritime security requirements that have changed significantly since September 11, 2001. With the acquisition of RB-Ms, the Coast Guard will be able to perform its duties more efficiently by allowing crews, for example, to be onsite to a rescue more quickly. The RB-Ms serve as an ideal platform for search and rescue; ports, waterways, and coastal security; drug interdiction; and migrant interdiction. Further, the RB-M supports marine safety, aids to navigation, marine environmental protection, and defense readiness missions.

IN-SERVICE CUTTER SUSTAINMENT

While no funding is proposed in fiscal year 2013 for in-service cutter sustainment, over \$264,000,000 is included in capital investment plan estimates for fiscal years 2014–2017. As required in fiscal year 2012, the Committee expects the long-term fiscal plan for this effort to be submitted to the Committees no later than June 23, 2012. Given the success of the Mission Effectiveness Projects and the rehabilitation of the 110' patrol boats at the Coast Guard Yard, the Committee expects the Coast Guard to direct sustainment work on all aging vessels there when geographically feasible.

NATIONAL SECURITY CUTTER

The Coast Guard operates a fleet of 378-foot High Endurance Cutters [HECs] that are over 43 years old on average, and are increasingly unreliable and expensive to maintain. By comparison, the average Navy ship is 20 years old. The Coast Guard's program of record is to acquire 8 National Security Cutters [NSCs] to replace 12 HECs (of which 3 have been decommissioned with the arrival of the first 3 NSCs). To date, approximately \$3,199,000,000 has been appropriated for five NSCs and long lead time materials [LLTM] for NSC-6. Three NSCs have been delivered to the Coast

Guard, the fourth is expected to be delivered in fiscal year 2014, and the fifth in fiscal year 2016.

NSC-1 [USCGC *Bertholf*] has already achieved several operational successes, including the seizure of 1,300 kilograms of contraband with an estimated street value of \$61,000,000 during its October-December 2011 patrol. During its first patrol in 2011, NSC-2 [USCGC *Waesche*] seized 938 kilograms of contraband with an estimated street value of \$24,800,000.

As noted in prior years, the Committee strongly supports the procurement of one National Security Cutter per year until all eight planned ships are procured. The continuation of production without a break will ensure that these ships, which are vital to the Coast Guard's mission, are procured at the lowest cost, and that they enter the Coast Guard fleet as soon as possible. The Committee is concerned that the administration's current acquisition policy requires the Coast Guard to attain total acquisition cost for a vessel, including long lead time materials, production costs, and post-production costs, before a production contract can be awarded. This has the potential to create shipbuilding inefficiencies, force delayed obligation of production funds, and require postproduction funds far in advance of when they will be used. The budget request to rescind and reappropriate \$25,000,000 previously appropriated for NSC-4 post-production costs is evidence that this policy is misguided. The Department should be in a position to acquire NSCs in the most efficient manner within the guidelines of strict governance measures. Therefore, the Committee includes language in the bill specifying that funds made available by this act shall be available to contract for long lead time materials for Coast Guard vessels, notwithstanding the availability of funds for production costs or post-production costs.

For NSC-6, the Committee includes \$13,300,000 for Segment 2 of LLTM, \$15,700,000 below the request due to savings realized in the contract after the budget request was formulated. The Committee recommendation also includes \$557,000,000, as requested, for production and \$50,000,000 for post-production costs, \$22,000,000 below the request due to the fact that these funds are not necessary until fiscal years 2018 and 2019 and would expire prior to obligation.

The request includes no funding in its outyear Capital Investment Plan for NSC-7 or NSC-8 despite the fact that the requirement for NSCs continues to be eight cutters. The Administration's request to zero out funding for the NSC is contrary to previous testimony by the Secretary of Homeland Security and is inconsistent with testimony from the Commandant before the Committee. Therefore, the recommendation includes \$77,000,000 to acquire LLTM necessary for the production of NSC-7. Finally, the recommendation includes \$25,000,000 for post-production costs for NSC-4 with a corresponding rescission of funds that are expected to expire prior to obligation. This rescission is included in a general provision.

According to the Department, this will accelerate the production schedule for the cutter and result in direct savings of approximately \$40,000,000 compared to delaying long lead acquisition to fiscal year 2014.

FAST RESPONSE CUTTER

The Committee recommends \$335,000,000 for the Coast Guard's Fast Response Cutter [FRC], \$196,000,000 above the request for a total of six cutters instead of two cutters. This funding will allow the Coast Guard to acquire FRC hulls (19–24). Procuring six Fast Response Cutters in fiscal year 2013 will maximize the production line and generate cost savings of \$5,000,000 per hull for a total savings to the taxpayers of \$30,000,000. Funding six boats instead of four will also allow the Coast Guard to advance the replacement of aging 110-foot Island Class Patrol Boats already beyond the end of their projected service life and expensive to maintain.

The Coast Guard is currently operating with a shortfall of 25,075 hours (25 percent) below its 1998 baseline of required patrol hours. Each FRC will provide 2,500 annual operating hours and an improved sea keeping ability, resulting in better habitability and full-mission capability in higher sea states.

MEDIUM ENDURANCE CUTTER SUSTAINMENT

The recommendation includes \$13,000,000 for the Medium Endurance Cutter Sustainment Project, as requested. Funding will complete sustainment work on the final two 270-foot cutters. This funding is intended to improve mission effectiveness of these vessels to allow them to meet their goals for program availability through the remainder of their service lives. This program has been successful in significantly reducing the number of major equipment failures on these vessels resulting in a much higher percentage of time they are fully mission capable.

OFFSHORE PATROL CUTTER

The recommendation includes \$30,000,000 for the Offshore Patrol Cutter [OPC], as requested. Funding is provided for pre-acquisition activities. The Coast Guard expects to release a preliminary contract design "request for proposal" by the end of fiscal year 2012 with a contract award expected in fiscal year 2013. A final detailed design and construction award is expected in fiscal year 2016.

The OPC's initial capabilities to control and direct aircraft as well as execute interdiction missions should, to the greatest extent feasible, be equivalent to that of the NSC to facilitate maximum savings to the Federal Government, rather than being deferred to future upgrades that add to total cost of ownership. The Committee urges the Coast Guard to maximize, to the greatest extent practicable, such systems commonality between the OPC and the NSC to reduce total acquisition cost and life-cycle costs facilitated by savings in life-cycle logistics management, integration costs, and personnel training efficiencies.

POLAR ICEBREAKER

The recommendation includes \$8,000,000, as requested, to initiate survey and design activities for a new Coast Guard polar icebreaker. The Coast Guard's two heavy polar icebreakers (*Polar Star* and *Polar Sea*), the only U.S. vessels that have the capability to perform year-round operations in the polar regions, are currently inoperable, with the *Polar Sea* set to be decommissioned and *Polar*

Star set to be reactivated in 2013 for an additional 7 to 10 years of service life. Both the *Polar Sea* and *Polar Star* were commissioned in the late 1970's and have exceeded their expected service life of 30 years. The Coast Guard's high latitude study, which was completed in 2010, concluded that additional icebreaking assets are necessary in the polar regions. This followed a National Academy of Science study that made similar conclusions. The Coast Guard has indicated that its mission needs statement [MNS] for this acquisition is to be completed by June 2012. The Coast Guard shall submit this document to the Committee no later than 30 days after it receives Departmental approval and brief the Committee on its timeline for completing a concept of operations, market research, specification development, and other acquisition milestones leading to a request for proposal and contract award.

MARITIME PATROL AIRCRAFT

The Committee recommends \$43,000,000 for the Maritime Patrol Aircraft [MPA], as requested. Funds are recommended for the acquisition of one aircraft (MPA-18), which will provide an additional 1,200 hours to address the Coast Guard's MPA flight-hour gap.

LONG RANGE SURVEILLANCE AIRCRAFT

The Committee notes that the Capital Investment Plan projects outyear funding for the acquisition of new C-130Js in lieu of extending and upgrading the legacy fleet of C-130Hs. The Committee understands that the updated acquisition program baseline [APB] for this aircraft is in the final stages of approval. The Coast Guard is to submit a copy of the revised APB to the Committee upon its approval by DHS. Further, the Committee is growing increasingly concerned about the acquisition of the 7th and 8th C-130Js. Funds for acquiring these aircraft were provided to the Department of Defense in the fiscal year 2010 Supplemental Appropriations Act. To date, a contract has not been awarded and funds will expire at the end of fiscal year 2012. The Coast Guard shall maintain frequent communications regarding developments with regard to this acquisition, including the follow-on missionization contract for the planes.

C-27J AIRCRAFT

In an attempt to live within a more constrained budget environment, the U.S. Air Force has targeted over 280 aircraft for elimination over the next 5 years, including 21 C-27Js. With missionization and adequate funds for operation, these aircraft could be converted for Coast Guard use. Given the multitude of Coast Guard acquisition requirements and the billions of dollars necessary to fulfill them, the Coast Guard should consider obtaining these aircraft through a transfer from the U.S. Air Force if it makes a compelling business case for the service and if the divestiture proposal is approved by Congress. The Committee understands the Coast Guard is in the process of conducting a holistic cost analysis to compare the fiscal tradeoffs of obtaining the C-27Js from the Air Force in lieu of its current fixed wing aircraft acquisition program of record, or some variant thereof. The Com-

mittee expects this analysis to include, but not be limited to, trade-offs in the operating costs compared to Maritime Patrol Aircraft and the C-130J, as well as missionization costs, pilot training, and maintenance costs. The Coast Guard is to maintain frequent communication with the Committee as its cost analysis progresses and on any other developments related to these aircraft.

UNMANNED AIRCRAFT SYSTEMS

The Committee is aware of efforts by the Coast Guard to evaluate both ship-based and land-based Unmanned Aircraft Systems [UAS] for mission requirements. Both platforms have the potential to enhance the Coast Guard's capability to execute statutory requirements in the maritime domain. The Coast Guard has reported to the Committee that its long standing plan to add vertical take-off unmanned aircraft systems to National Security Cutters would result in an estimated 95- to 225-percent increase in surveillance coverage within an 80-mile radius of the cutter and an estimated 95-percent increase in the number of prosecutions achieved by the cutter. The Committee continues to be very supportive of the use of vertical take-off unmanned aircraft systems aboard Coast Guard cutters and strongly encourages the Coast Guard to ensure that the test and development is not delayed for this enhanced surveillance capability.

The Committee understands the Coast Guard recently received approval from the Department to pursue a small UAS as an interim capability for the NSC. The Coast Guard is to keep the Committee informed of its efforts in this area. With regard to land-based UAS, the development process has been extremely slow and is still in the "Need" phase of the acquisition process. The Committee is concerned that the land-based mission need statement [MSN] was sent to DHS headquarters in November of 2010, but it wasn't endorsed by the Joint Requirements Council until January 31, 2012. The MSN is currently pending approval from the DHS Acquisition Authority. The Coast Guard is to keep the Committee apprised of its efforts for both cutter-based and land-based UAS development, including the reason for any delays in the acquisition process.

INTERAGENCY OPERATIONS CENTERS

In the Safe Port Act of 2006, Congress required the Coast Guard to establish Interagency Operations Centers [IOCs] in order for maritime information to be shared between Federal and State port partners. According to a December 16, 2010, Federal Register Notice, "IOCs will provide information systems, facilities, and sensors needed to conduct daily, 24/7 tactical coordination of port-level activities." A recent Government Accountability Office [GAO] report (GAO-12-202) revealed that no Coast Guard sector has achieved IOCs with full operating capability. Only 12 sectors have received the Coast Guard's information sharing system named "Watchkeeper", and according to GAO, 80 percent of port partners at those sectors were not using the system during its evaluation period. GAO made several recommendations in report GAO-12-202, including the inclusion of port partner input, and improvements in requirements development, cost estimating, and scheduling for the

delivery of Watchkeeper. The Coast Guard is to brief the Committee no later than 90 days after the date of enactment of this act on its progress in addressing GAO's recommendations and on its updated acquisition costs necessary to achieve full operating capability.

SHORE FACILITIES AND AIDS TO NAVIGATION

The Committee recommends \$69,411,000 for shore facilities and aids to navigation, as requested. As requested, the recommendation includes \$5,000,000 for a rinse rack for C-130s at Air Station Barbers Point, Hawaii; \$5,000,000 for hangar renovations for rotary wing aircraft in Cold Bay, Alaska; \$1,100,000 to replace aged fuel tanks at Sitkinak, Alaska; and \$1,900,000 for a boat ramp at Station New York, New York to hoist and launch Coast Guard small boats.

The Coast Guard has estimated its shore facilities construction backlog to be over \$527,000,000. The Coast Guard shall provide the Committee with a prioritized list of projects (including the estimated cost for each) in the backlog and the Coast Guard's plans to address them no later than 45 days after the date of enactment of this act. In addition, if there are changes to the projects listed in the fiscal year 2013 budget justification for major acquisition systems infrastructure, the Coast Guard shall include a detailed description of the changes in the report.

COAST GUARD MILITARY HOUSING

The Committee provides \$10,000,000 above the request for the recapitalization, improvement, and acquisition of housing to support military families. Of this amount, \$3,900,000 is derived from the Coast Guard Housing Fund. The Coast Guard shall provide an expenditure plan to the Committee for these funds in the shore facilities report required 45 days after the date of enactment of this act.

AC&I PERSONNEL

The Committee provides \$117,398,000 for personnel and related support, as requested.

UNFUNDED PRIORITIES

The Committee directs the Commandant to provide to the Congress, at the time of the President's budget submission, a list of approved but unfunded Coast Guard priorities and the funds needed for each.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Appropriations, 2012	\$27,779,000
Budget estimate, 2013	19,728,000
Committee recommendation	19,728,000

The Coast Guard's Research and Development program develops techniques, methods, hardware, and systems that directly contribute to increasing the productivity and effectiveness of the Coast Guard's operating missions. This account provides funds to operate and maintain the Coast Guard Research and Development Center.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$19,728,000 for the Coast Guard's research, development, test, and evaluation activities, the same as the budget request and \$8,051,000 below the fiscal year 2012 level.

The Deepwater Horizon oil spill highlighted the need for improved basic oceanographic research and the research and development of new oil spill response and removal technologies. The Committee believes that innovative technologies, such as unmanned maritime vehicles [UMVs], can improve prediction accuracy for oil spill response efforts through better trajectory models, provide real-time data telemetry, and reduce operational response costs. Of the funds available under this heading, the Committee directs the Commandant to study the viability and applicability of persistent, UMVs and other cost-saving maritime technologies through a competitive process. This assessment should consider technologies that complement and enhance the Coast Guard's marine environmental protection capabilities, and emphasis shall be given to technologies which also have potential applications for other Coast Guard missions, such as search and rescue; port, waterways, and coastal security; marine debris removal; drug interdiction; and migrant interdiction.

RETIRED PAY

Appropriations, 2012	\$1,440,157,000
Budget estimate, 2013	1,423,000,000
Committee recommendation	1,423,000,000

This account provides for the retired pay of military personnel of the Coast Guard and Coast Guard Reserve, members of the former Lighthouse Service, and for annuities payable to beneficiaries of retired military personnel under the retired serviceman's family protection plan (10 U.S.C. 1431-1446) and survivor benefit plan (10 U.S.C. 1447-1455); payments for career status bonuses under the National Defense Authorization Act; and payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55).

COMMITTEE RECOMMENDATIONS

The Committee recommends \$1,423,000,000, as proposed in the budget, for retired pay. This amount is \$17,157,000 below the fiscal year 2012 level.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

Appropriations, 2012	\$1,661,237,000
Budget estimate, 2013	1,544,113,000
Committee recommendation	1,555,913,000

The United States Secret Service's [USSS], salaries and expenses appropriation provides funds for the security of the President, the Vice President, and other dignitaries and designated individuals; for enforcement of laws relating to obligations and securities of the United States and laws relating to financial crimes; and for protec-

tion of the White House and other buildings within the Washington, DC, metropolitan area.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$1,555,913,000 for salaries and expenses. This is a decrease of \$105,324,000 from the fiscal year 2012 level and \$11,800,000 above the amount proposed in the budget.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

UNITED STATES SECRET SERVICE—SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Headquarters, management, and administration	191,588	174,669	174,669
Information Integration and Technology Transformation	43,843	1,137	1,137
Protection:			
Protection of persons and facilities	832,463	837,646	857,501
Protective intelligence activities	68,125	68,373	68,373
National Special Security Event Fund	19,307	4,500	4,500
Presidential candidate nominee protection	113,462	57,960	57,960
White House mail screening	18,472	19,855	(¹)
Subtotal, Protection	1,051,829	988,334	988,334
Investigations:			
Domestic field operations	223,991	238,553	297,508
International field office administration, operations, and training	32,971	31,016	31,016
Electronic crimes special agent program and electronic crimes task forces	53,051	54,655	(²)
Support for missing and exploited children	8,366	.....	7,500
Subtotal, Investigations	318,379	324,224	336,024
Training: Rowley Training Center	55,598	55,749	55,749
Total, Salaries and expenses	1,661,237	1,544,113	1,555,913

¹ Funded under "Protection of Persons and Facilities".

² Funded under "Domestic Field Operations".

SECRET SERVICE ACTIVITIES

The Committee fully funds the request for the 2012 Presidential campaign, protective intelligence, and investigations. The Committee also fully funds the White House mail screening and the electronic crimes special agent program and electronic task force activities, but has moved the funds to the "Protection of Persons and Facilities" and "Domestic Field Operations" PPAs, respectively. Included in the amount recommended for "Domestic Field Operations" is \$4,300,000 above the request for priority investigations undertaken by the Secret Service.

As a result of the improper behavior involving 12 Secret Service agents and officers in Cartagena, Colombia, on April 12, 2012, the Director of the Secret Service issued enhanced standards of conduct on April 27, 2012, which immediately went into effect. These guidelines explicitly address the standards and behaviors to which each employee will adhere when on duty—whether domestically or abroad—and include rules regarding standards of conduct brief-

ings, a prohibition on foreign nationals in hotel rooms, drinking of alcohol, and the professional code of conduct. Additional ethics training is being conducted for every employee. As stated by the Director:

“Each point of the Secret Service star represents one of the agency’s five core values: justice, duty, courage, honesty, and loyalty. These values should resonate with each man and woman in our organization. The building block—the very foundation—of these values is our personal and professional code of conduct. To that end, you are expected to always conduct yourselves in a manner that reflects credit on you, the Secret Service, the Department of Homeland Security, and—most importantly—the United States Government and the citizens that we serve.”

The Committee notes the swift and decisive action taken by the Director to immediately address the situation, conduct a thorough investigation, and take appropriate disciplinary action against the individuals involved. The Committee understands that a Professionalism Reinforcement Working Group [PRWG] has been established by the Director to examine the Secret Service’s professional standards of conduct as they relate to training, policies, and procedures to ensure the agency is providing the proper foundation for and reinforcement of its high standards. The Committee directs the Secret Service to provide quarterly briefings on the PRWG’s activities.

The Committee also understands that the Secret Service is working with the Office of the Inspector General on an independent investigation and expects to be kept regularly briefed on the investigation.

NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

For more than a decade, the Secret Service has provided funding for grants as well as computer forensic support to the National Center for Missing and Exploited Children [NCMEC]. In fiscal year 2011, the \$6,000,000 in grant funds provided to NCMEC constituted 13 percent of the Center’s budget. Since 1997, the Secret Service assisted NCMEC by opening more than 2,208 investigative cases throughout the Secret Services field offices which resulted in 566 arrests of child predators and others. In fiscal year 2011 alone, Secret Service participation in Operation Safe Kids helped parents fingerprint and/or photograph 6,155 children and provided forensic support for missing and exploited children, leading to 145 arrests.

For fiscal year 2013, the Committee recommends \$6,000,000 for grants in support of missing and exploited children and expects USSS to sustain forensic support at the fiscal year 2012 level of \$2,366,000. The Secret Service shall identify and inform the Committee as to which PPAs will absorb an \$866,000 reduction in order to sustain that level.

NATIONAL SPECIAL SECURITY EVENTS

The Committee recommends \$4,500,000, as requested, for support to currently planned and unanticipated National Special Security Events [NSSEs] for fiscal year 2013. As the Secret Service knows in advance of a number of NSSEs scheduled to occur during the fiscal year, it has been able to plan its budget accordingly. The

Committee directs the USSS to continue to provide quarterly briefings on the use of these funds, with the first briefing to occur not later than 45 days after the end of the first quarter.

INFORMATION INTEGRATION AND TECHNOLOGY TRANSFORMATION

The Committee recommends \$1,137,000 for Information Integration and Technology Transformation [IITT] personnel and related activities, as requested. The Committee also supports the transfer of the bulk of this program to the “Acquisition, Construction, Improvements, and Related Expenses” account. While the Secret Service has made great progress in implementing its information technology program, the Committee continues statutory language withholding \$20,000,000 of these funds from obligation until the DHS CIO certifies to the Committee not later than 60 days after the date of enactment of this act, that Secret Service modernization activities are consistent with the Department’s guidance.

The Committee also directs the USSS to provide greater detail in the justifications accompanying the fiscal year 2014 budget request on all USSS information technology activities.

REPROGRAMMING THRESHOLDS

Statutory language is included in the bill setting a higher threshold for the reprogramming of funds in section 503 of this act to accommodate unanticipated shifts in funding requirements for protection and investigation activities.

INTERNATIONAL ACTIVITIES AND OFFICES

In the fiscal year 2012 Department of Homeland Security Appropriations Act, the Committee provided resources to support the opening of new international field offices in Lima, Peru and Beijing, China to stem counterfeiting activity and better facilitate protectee travel. The Committee expects sufficient funds to be requested in the fiscal year 2014 budget to maintain the offices and directs a briefing on the status of the staffing and activities at these offices not later than February 15, 2013.

ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriations, 2012	\$5,380,000
Budget estimate, 2013	56,750,000
Committee recommendation	56,750,000

This appropriation provides funding for security upgrades of existing facilities; for information integration and technology transformation; to continue development of the current master plan; to maintain and renovate existing facilities, including the James J. Rowley Training Center (Center); and to ensure efficient and full utilization of the Center.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$56,750,000, as requested, for infrastructure improvements, IITT, and other activities.

TITLE III
PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY

NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

The National Protection and Programs Directorate aims to foster better integration of national approaches between strategic homeland security programs, facilitate infrastructure protection, ensure broad emergency communications capabilities, and ensure the protection of Federal buildings and facilities.

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

NATIONAL PROTECTION AND PROGRAMS DIRECTORATE

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Management and administration	50,695	50,321	50,321
Infrastructure protection and information security:			
Infrastructure protection	295,452	255,082	269,792
Cybersecurity	443,176	769,004	755,604
Communications	149,615	142,547	144,187
Subtotal, Infrastructure protection and information security	888,243	1,166,633	1,169,583
Federal Protective Service	1,261,537	1,301,824	1,301,824
United States Visitor and Immigrant Status Indicator Technology ..	306,802	(¹)	(¹)
Total, National Protection and Programs Directorate (gross)	2,507,277	2,518,778	2,521,728
Offsetting fee collections	-1,261,537	-1,301,824	-1,301,824
Total, National Protection and Programs Directorate (net)	1,245,740	1,216,954	1,219,904

¹ Funded under title II, in "U.S. Customs and Border Protection".

MANAGEMENT AND ADMINISTRATION

Appropriations, 2012	\$50,695,000
Budget estimate, 2013	50,321,000
Committee Recommendation	50,321,000

This account funds salaries and expenses for the Office of the Under Secretary, which oversees all activities of the National Protection and Programs Directorate [NPPD]. This account also funds business operations and information technology support services.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$50,321,000 for “Management and Administration”, \$374,000 below fiscal year 2012 and the same

amount as the budget request. No funding is provided for risk management and analysis activities, which reflects a transfer of the function and funding to the Department's Office of Policy in fiscal year 2012. Additionally, the amount includes a realignment of resources from NPPD "Information Protection and Information Security" to "Management and Administration" to centralize business support.

A provision is included in the bill requiring the Under Secretary for NPPD to submit an expenditure plan for the Office of Cybersecurity and Communications and the Office of Infrastructure Protection not later than 90 days after the date of enactment of this act. The Committee notes that NPPD has made strides to better align expenditures to the year in which funding is appropriated. Carryover amounts are estimated to be significantly lower than in previous years. NPPD offices are encouraged to continue improving budget discipline. NPPD is directed to more carefully review its Congressional Justification to prevent errors and should officially submit updated information correcting any such errors without delay.

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

Appropriations, 2012	\$888,243,000
Budget estimate, 2013	1,166,633,000
Committee recommendation	1,169,583,000

Infrastructure Protection and Information Security [IPIS] assists the entities and people responsible for securing the Nation's critical infrastructure assets. In addition, IPIS works collaboratively with State, local, public, private, and international entities to secure cyberspace and U.S. cyber assets, and reduce the vulnerability of the Nation's telecommunications and information technology infrastructures.

COMMITTEE RECOMMENDATIONS

The Committee recommends total appropriations of \$1,169,583,000 for "Infrastructure Protection and Information Security" [IPIS] programs. The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Infrastructure protection and information security:			
Infrastructure protection:			
Infrastructure analysis and planning	70,518	56,909	59,692
Sector management and governance	74,219	67,132	67,132
Regional field operations	57,367	56,497	56,497
Infrastructure security compliance	93,348	74,544	86,471
Subtotal, Infrastructure protection	295,452	255,082	269,792
Cybersecurity and communications:			
Cybersecurity:			
Cybersecurity coordination	4,500	3,995	3,995

INFRASTRUCTURE PROTECTION AND INFORMATION SECURITY—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
US-Computer Incident Response Team [US-CERT] Operations	79,116	93,002	93,002
Federal network security	35,000	236,014	217,606
Network security deployment	229,000	345,046	345,046
Global cybersecurity management	23,992	21,957	25,965
Critical infrastructure cyber protection and awareness	60,000	62,763	63,763
Business operations	11,568	6,227	6,227
Subtotal, Cybersecurity	443,176	769,004	755,604
Communications:			
Office of emergency communications	43,495	38,689	41,726
Priority telecommunications services	56,074	53,286	53,286
Next generation networks	25,253	20,000	25,253
Programs to study and enhance telecommunications	13,441	19,594	12,944
Critical infrastructure protection programs	11,352	10,978	10,978
Subtotal, Communications	149,615	142,547	144,187
Subtotal, Cybersecurity and communications	592,791	911,551	899,791
Total, Infrastructure protection and information security ..	888,243	1,166,633	1,169,583

INFRASTRUCTURE PROTECTION

The Committee recommends \$269,792,000 for Infrastructure Protection, \$25,660,000 below the fiscal year 2012 level and \$14,710,000 above the request. Overall, the budget proposes a 13.7 percent reduction to Infrastructure Protection programs. The Committee is concerned that missions designed to protect against threats to infrastructure received low priority in the request. As evidenced by the 2010 attempted bombing in New York City's Times Square, the threat of a lone actor carrying out a physical attack is present. The Committee has made choices to fund targeted programs at a level above the request, such as bombing prevention and vulnerability assessments, to ensure the Nation is maintaining a coordinated domestic defense against threats to critical infrastructure.

For the Office of Bombing Prevention, the Committee recommends \$13,551,000, the same level as fiscal year 2012 and \$2,143,000 above the request. This level of funding will sustain needed training and awareness for State, local, and private sector entities on how terrorists use explosives; and needed analysis of counter-explosives requirements, capabilities, and gaps. The Committee is aware of the Office's efforts to work with the National Guard on training and encourages the Office to analyze efficiencies that could be gained through coordination with the National Guard's counterdrug training mission. The Committee further encourages the Office to work with the Department of Defense on capabilities related to counter explosives, including the possible transfer, equipping, and storage of electronic countermeasures. The Office should continue to explore applicable capabilities from defense programs that comply with domestic policies and protections, such as privacy.

The Committee recommends \$21,268,000 for vulnerability assessments, the same level as fiscal year 2012 and \$680,000 above the request. The Committee notes that in conducting assessments on the risks to critical infrastructure and key resources, interdependencies on associated infrastructure are often discovered. The Committee encourages NPPD to ensure this information is shared regionally to maximize the benefits of the assessments and facilitate planning for restoration of services post-disaster.

Of the total amount available, the Committee recommends no less than \$16,000,000 for the National Infrastructure Simulation and Analysis Center, as requested.

The Committee encourages the Office of Infrastructure Protection to continue its efforts related to training which meets requirements for safety and security at large venues.

The Committee recommends \$86,471,000 for Infrastructure Security Compliance, \$11,927,000 above the request and \$6,877,000 below the fiscal year 2012 level. Infrastructure Security Compliance funding is provided for implementation of the Chemical Facility Anti-Terrorism Standards [CFATS] program. A recent internal review of the CFATS program found significant issues with its implementation. The Department is to be commended for conducting the review; however, transparency and completing needed improvements are imperative. The budget request proposes a 20-percent cut to the CFATS program, justified by high annual carryover balances. This budget proposal was developed before a detailed plan to address the implementation problems had been completed. The Committee understands that within the third and fourth quarters of fiscal year 2012, a detailed manpower and systems review will be completed. Initial action items show that fiscal year 2013 costs will likely need to be incurred for additional personnel, training, and information technology. The Committee notes it would be shortsighted, in the meantime, to take the full amount of proposed savings when the need for improvement has been documented. Funding will not resolve all of the outstanding issues, but the proposed cuts are too deep to ensure change for the better can be completed.

The Under Secretary of NPPD is directed to provide a report to the Committee detailing the findings of the action plan associated with the internal review not later than 90 days after the date of enactment of this act, including all associated costs. In order to more completely measure the needs of the CFATS program on a consistent basis, the Under Secretary of NPPD is also directed to submit a report on the implementation of the CFATS program to the Committee on a semiannual basis that includes the number of: facilities covered; inspectors; completed inspections; inspections completed by region; pending inspections; days inspections are overdue; enforcements resulting from inspections; and enforcements overdue for resolution. This data should be delineated by tier. The first report shall be submitted not later than 90 days after the date of enactment of this act.

Finally, the Committee has repeatedly expressed concern over the few number of inspections completed and the lack of trained employees in place to conduct such inspections through CFATS. The previously mentioned internal manpower and systems review

will enumerate the total number of inspectors needed. The Committee expects this information will be included in the report required in the previous paragraph. To ensure inspections are still actively pursued throughout the CFATS program improvement, NPPD is directed to maintain no fewer than 148 FTE in the inspector cadre for fiscal year 2013.

While the CFATS program is in need of significant improvement, a recent survey by the American Chemistry Council found that companies have made substantial investments in security upgrades as a result of CFATS and they are actively engaged in knowing, assessing, and managing their risks. The survey found that the risk-based performance standards approach is effective. Since the program's inception, more than 1,670 facilities have completely removed chemicals of interest and more than 700 facilities have reduced the quantity of stored chemicals for better security. These findings emphasize the accomplishments made by government and industry working together and the need to continue the program.

The Committee notes a requirement, under title I, for the Deputy Secretary to continue semiannual reporting to the Committee on harmonizing chemical security responsibilities with all relevant Departmental components. NPPD is expected to continue its involvement in this effort.

CYBERSECURITY

The Committee recommends \$755,604,000 for cybersecurity programs, \$13,400,000 below the budget request and \$312,428,000 above the fiscal year 2012 level.

Of the total amount, the Committee recommends \$217,606,000 for Federal Network Security, \$18,408,000 below the request and \$182,606,000 above the fiscal year 2012 level. The budget request includes \$202,046,000 for a new cybersecurity capability to provide continuous monitoring for the civilian Federal computer network. The Committee recommends \$183,638,000 for this effort, which will provide for robust implementation but also a disciplined approach to ensure lessons are learned before deployment to all Federal agencies. A provision is included in the bill withholding from obligation \$120,000,000 of the amount provided for this effort until the Committee receives a detailed expenditure plan and a timeframe for implementation. The expenditure plan should serve two purposes. First, the Committee understands the approach to implement this capability has evolved since it was originally proposed in the budget. Now, instead of being a federated system managed by individual agencies, it will be a more effective unified security program, managed by DHS. The plan shall clearly explain the revisions to program implementation, the most critical of which is that funds will not be directly allocated to other Federal agencies. The Committee directs NPPD not to augment other agencies appropriations with this funding. Second, the plan should demonstrate a disciplined approach to budgeting and implementation that is properly aligned with the timing of appropriated funds. The need for the protection that this program will provide requires expedient action which the Committee believes is being carefully considered. However, clear documentation through an expenditure plan will provide the type of transparency for necessary oversight.

The Committee understands that NPPD is constantly evaluating the most effective ways to implement the National Cybersecurity Protection System [NCPS], known as Einstein. The system must be agile and able to evolve with both technological advances and the threat. NPPD's efforts, in conjunction with the National Security Agency, to keep the Committee apprised of the most recent approaches are useful. The Committee encourages NPPD to continue its proactive approach to managing the NCPS, by carefully balancing the need for evolution with disciplined program management.

The Committee recommends \$25,965,000 for Global Cybersecurity Management, of which \$16,876,000 is for cybersecurity education. The Committee notes the proposed \$2,008,000 reduction below the fiscal year 2012 level for cybersecurity education programs would defer the assessment of the national cybersecurity workforce by 2 years. The justification for the delay is to "serve higher-priority cybersecurity efforts"; however, investments proposed in technology will not be useful if there is not a trained workforce to support those tools in future years.

The Committee includes \$63,763,000 for Critical Infrastructure Cyber Protection and Awareness. The Committee recognizes the importance of programs that improve the cybersecurity posture of State, local, territorial, and tribal governments and encourages NPPD to fully support these important initiatives.

NATIONAL CYBERSECURITY REVIEW

In March of 2012, the Department completed the first National Cyber Security Review assessing the cybersecurity capabilities of State and local jurisdictions. This voluntary effort surveyed the capabilities of 162 States, territories, and localities across the country. This well-executed effort strengthened partnerships between levels of government, created a baseline of the cybersecurity posture of multiple levels of government, and identified areas on which to focus future cybersecurity efforts. The Committee expects that this survey will be updated every other year so that progress may be charted and further areas of concern may be identified. Additionally, NPPD is encouraged to consider privacy as a focus area in future surveys.

NPPD is directed to brief the Committee within 90 days after the date of enactment of this act on mitigation steps that can be taken to assist survey respondents with improving their cybersecurity capabilities, and how NPPD could undertake validation of the survey results and how that validation could be useful to the survey respondents.

COMMUNICATIONS

The Committee recommends \$144,187,000 for communications programs, \$5,428,000 below the fiscal year 2012 level and \$1,640,000 above the budget request.

Of the total amount recommended, \$41,726,000 is for the Office of Emergency Communications, \$1,769,000 below the fiscal year 2012 level and \$3,037,000 above the budget request. The Committee is concerned that a reduction is proposed when there are known needs in communications. In a recent GAO-

12–343) on emergency communications, challenges were identified that are likely to slow implementation of a public safety broadband network. Several Federal agencies have responsibilities in this area, but specifically, GAO recommends that DHS work with Federal, State, and local partners to identify and communicate opportunities for joint procurement of devices that will be used on the broadband network to ensure public safety agencies are not overpaying for handheld communications devices. Given that 22 communities are currently seeking expedited use of broadband, that Congress has provided more than \$7,000,000,000 to expand broadband in the United States, and that the Federal Communications Commission is developing technical rules associated with the use of broadband, now is the time to invest in the needed planning, testing, technical assistance, and standardization for efficient use of the infrastructure.

The Committee also recommends \$25,253,000 for Next Generation Networks, the same level as provided in fiscal year 2012, and \$5,253,000 above the request. The proposed reduction would delay priority services capability in the core networks by 1 year. Industry has already indicated that degradation of priority services in the network may begin as early as 2015, and market forces, including success of broadband, may hasten this schedule. A delay in the schedule will jeopardize the capacity for priority communications during an emergency on commercial carriers modernized networks.

FEDERAL PROTECTIVE SERVICE

Appropriations, 2012 ¹	\$1,261,537,000
Budget estimate, 2013 ¹	1,301,824,000
Committee recommendation ¹	1,301,824,000

¹Fully funded by offsetting collections paid by General Services Administration tenants and credited directly to this appropriation.

The Federal Protective Service [FPS] is responsible for the security and protection of Federal property under the control of the General Services Administration [GSA]; and for the enforcement of laws for the protection of persons and property, the prevention of breaches of peace, and enforcement of any rules and regulations made and promulgated by the GSA Administrator and/or the Secretary. The FPS authority can also be extended by agreement to any area with a significant Federal interest. The FPS account provides funds for the salaries, benefits, travel, training, and other expenses of the program, offset by collections paid by GSA tenants and credited to the account.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$1,301,824,000, as requested, for salaries and expenses of the Federal Protective Service for fiscal year 2013. This amount is fully offset by collections of security fees.

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

FEDERAL PROTECTIVE SERVICE
 [In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Basic security	247,478	271,540	271,540
Building-specific security	501,039	509,056	509,056
Reimbursable security fees (contract guard services)	513,020	521,228	521,228
Total, Federal Protective Service	1,261,537	1,301,824	1,301,824
Offsetting fee collections	-1,261,537	-1,301,824	-1,301,824

The Federal Protective Service [FPS] is funded through fees assessed to participating agencies by the Office of Management and Budget [OMB]. A provision is included requiring the Secretary and the Director of OMB to certify that FPS is sufficiently funded to support 1,371 FTE, including no less than 1,007 police officers, inspectors, area commanders, and special agents, by December 31, 2012.

A provision is included in the bill requiring the Director of FPS to submit an expenditure plan not later than 90 days after the date of enactment of this act.

A provision was included in the Department of Homeland Security Appropriations Act, 2012, requiring FPS to submit a strategic human capital plan that aligns fee collections to personnel requirements based on a current threat assessment by February 6, 2012. The plan has not yet been received and the Committee expects it to be submitted without delay. A provision is included in the bill requiring an update of the plan, to be submitted with the fiscal year 2014 budget request. Without such a guiding document, decisionmakers cannot reliably match resources to threat.

The Committee understands FPS is currently engaged in an effort to link operations, performance, and cost data. The Committee directs FPS to complete this effort as it is critical in addressing the issues found by GAO related to the fee structure and the timing of budget decisions (GAO-11-492). Two elements of the overall current effort are to complete an activity-based costing program and finalize implementation of the Modified Infrastructure Survey Tool, which will replace the Risk Assessment Management Program. The Committee encourages such efforts to be completed expeditiously. The Office of the Under Secretary for NPPD, in conjunction with the Director of FPS, shall brief the Committee not later than 30 days after the date of enactment of this act on the timeline to finalize its management and budget improvement efforts.

OFFICE OF HEALTH AFFAIRS

Appropriations, 2012	\$167,449,000
Budget estimate, 2013	166,458,000
Committee recommendation	168,300,000

The Office of Health Affairs [OHA], headed by the Chief Medical Officer who also serves as the Assistant Secretary for Health Affairs, leads the Department on medical issues related to natural and man-made disasters; serves as the principal advisor to the Secretary on medical and public health issues; coordinates biodefense activities within the Department; and serves as the Department's

primary contact with other Departments and State, local, and tribal governments on medical and public health issues.

COMMITTEE RECOMMENDATIONS

The Committee recommends total appropriations of \$168,300,000 for Office of Health Affairs [OHA] programs. The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

OFFICE OF HEALTH AFFAIRS
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
BioWatch	114,164	125,294	125,294
National Biosurveillance Integration Center	12,013	8,000	8,000
Chemical Defense Program	5,439	500	2,000
Planning and coordination	6,162	4,907	5,249
Salaries and expenses	29,671	27,757	27,757
Total, Office of Health Affairs	167,449	166,458	168,300

BIOWATCH

The Committee recommends \$125,294,000 for the BioWatch Program, \$11,130,000 above the fiscal year 2012 level and the same amount as the budget request. Of the total amount provided, \$39,904,000 is for the Generation 3 system, as requested. A provision is included in the bill withholding \$28,500,000 from obligation for Generation 3 until the Secretary certifies to the Committee that the science used to develop the technology is sound and warrants operational testing and evaluation. The Committee expects that all Departmental subject matter experts and additional experts as needed, will be included in such a review.

The Committee has consistently demonstrated support for the development of an early warning network to detect biological agents to speed response and recovery from a terrorist attack through the BioWatch program. An October 2011 report by the Weapons of Mass Destruction Terrorism Research Center determined that the usefulness of BioWatch is unclear. Biological detection is complex and BioWatch execution has suffered from delays and system limitations as this unique capability is developed. The next major phase of development should be undertaken only if the Secretary determines that the system can reliably perform. Therefore, requested funds are provided for performance testing and program management; however, funds for operational testing and evaluation shall not be obligated until the Secretary certifies that it is prudent. Should the Secretary decide that it is not prudent to move forward with Generation 3 as it is currently designed, an alternate plan for the way forward should be provided. Such a plan shall clearly explain all appropriate options ranging from needed scientific and technology enhancements to program redesign or termination.

NATIONAL BIOSURVEILLANCE INTEGRATION CENTER

The Committee recommends \$8,000,000 for the National Biosurveillance Integration Center [NBIC], the same amount as the budget request and \$4,013,000 below the fiscal year 2012 level.

The Bio-Response Report Card, published by the Weapons of Mass Destruction Terrorism Research Center in October 2011, found that the United States is not prepared for a bioterrorism attack, particularly a large-scale event. Further, it found that the United States has made progress in strengthening biosurveillance capabilities but systems do not adequately involve or integrate data from various sources. The Report Card found that while DHS does not have a fully functional and effective system to integrate streams of surveillance, as mandated in the 9/11 Act and by Presidential directive, “[i]f given more time and stable funding, DHS could potentially build an operational and useful NBIC.”

The Committee has repeatedly expressed concern about the lack of an adequate strategic plan that clearly delineates how it will most effectively execute its mandated responsibility. Therefore, a provision is included in the bill prohibiting obligation of funding for pilot projects, 50 percent of the NBIC budget, until the Committee receives a strategic plan for the Center and a report that describes how each pilot project furthers implementation of the plan. The strategic plan should clearly identify which Federal departments and agencies OHA coordinates with and the process, procedure, and frequency for coordination. The report should clearly explain how pilot projects are coordinated with relevant Federal departments to guard against unnecessary duplication of effort.

The Committee understands that in fiscal year 2012, NBIC is relocating to the same facility as its sister OHA offices. While this move does not produce savings in the current fiscal year, it should facilitate better coordination among experts and demonstrate efficiencies in future years.

CHEMICAL DEFENSE PROGRAM

The Committee recommends \$2,000,000 for the Chemical Defense Program, \$3,439,000 below the fiscal year 2012 level and \$1,500,000 above the budget request. The goal of the Program is to develop guidance and evaluate detection and communication technology that could be effective in a high-consequence chemical event. To date, the program has only one on-going pilot to demonstrate detection and response capability in a transit system. While this pilot should garner useful information, a complete program must provide guidance and evaluations for all high-risk situations. In fiscal year 2012, funding was provided for two additional demonstration projects. The competition for those projects, based on risk, is projected to go forward in May 2012. The Committee recommends an increase of \$1,500,000 above the request for two additional demonstration projects, to be competitively awarded, to ensure all high-risk situations are studied and useful information is made available on mitigation and response measures.

PLANNING AND COORDINATION

The Committee recommends \$5,249,000 for Planning and Coordination, \$913,000 below fiscal year 2012 and \$342,000 above the budget request. Funding is provided to ensure OHA can adequately fulfill its security and workforce health mission through: guidance on catastrophic health consequences related to a pandemic, chemical, biological, radiological or nuclear event; completing Department health risk assessments and resilience training; enhancing preparedness at the State, local and tribal level; and partnering where appropriate with the private sector and international community. The Committee also notes the important responsibility the Food, Agriculture, and Veterinary Defense Division is charged with through Homeland Security Presidential Directive-9 in advising Departmental leadership on security issues regarding food, water, agro-defense, veterinary, and zoonotic diseases.

Of the amount provided, \$1,900,000 is for the Department medical countermeasure program, as requested. The Committee directs OHA to consider efficiencies in executing this program through collocation of storage, shared rotation of stockpiles, and other prudent stockpile management measures when possible. OHA is directed to brief the Committee not later than 60 days after the date of enactment of this act on sustainable cost saving measures.

SALARIES AND EXPENSES

The Committee recommends \$27,757,000 for salaries and expenses, the same amount as the budget request and \$1,914,000 below the fiscal year 2012 level. Reductions are justified based on a consistent pattern of lapsed balances.

A provision is included in the bill requiring the Assistant Secretary for Health Affairs to provide an expenditure plan for OHA not later than 90 days after the date of enactment of this act.

FEDERAL EMERGENCY MANAGEMENT AGENCY

MISSION

The primary mission of the Federal Emergency Management Agency [FEMA] is to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other manmade disasters, by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, protection, response, recovery, and mitigation.

COMMITTEE RECOMMENDATIONS

The Committee recommends a total program level of \$10,063,316,000 for activities of FEMA for fiscal year 2013.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

FEDERAL EMERGENCY MANAGEMENT AGENCY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Salaries and expenses	¹ 895,350	¹ 789,172	979,402
State and local programs	² 1,349,681	² 2,900,212	1,645,082
Firefighter Assistance Grants	675,000	(³)	675,000
Emergency Management Performance Grants	350,000	(³)	350,000
Radiological Emergency Preparedness Program	— 896	— 1,443	— 1,443
United States Fire Administration	44,038	42,520	44,020
Disaster Relief Fund:			
Core Activity	700,000	607,926	607,926
Disaster Relief Adjustment	6,400,000	5,481,000	5,481,000
Subtotal, Disaster Relief Fund	7,100,000	6,088,926	6,088,926
Disaster Assistance Direct Loan Program Account	295	.....	.....
Flood hazard mapping and risk analysis	97,712	89,329	97,329
National Flood Insurance Fund	(171,000)	(171,000)	(171,000)
National Predisaster Mitigation Fund	35,500	.....	35,000
Emergency food and shelter	120,000	100,000	150,000
Total, Federal Emergency Management Agency	10,666,680	10,008,716	10,063,316

¹ Excludes transfers from "State and Local Programs".² Includes funds to be transferred to "Salaries and Expenses".³ Funding proposed under "State and Local Programs".

SALARIES AND EXPENSES

Appropriations, 2012 ¹	\$895,350,000
Budget estimate, 2013 ¹	789,172,000
Committee recommendation	979,402,000

¹ Excludes transfers from "State and Local Programs".

Funding for FEMA's "Salaries and Expenses" 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, regardless of cause, in partnership with Federal agencies, State, local, and tribal governments, volunteer organizations, and the private sector. Salaries and Expenses supports FEMA's programs by coordinating between Headquarters and Regional Offices the policy, managerial, resource, and administrative actions.

COMMITTEE RECOMMENDATIONS

The Committee recommends total appropriations of \$979,402,000 for FEMA "Salaries and Expenses". The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request ¹	Committee recommendations ¹
Administrative and Regional Offices	² 110,495	² 214,603	257,884
Office of National Capital Region Coordination	(5,493)	(5,099)	(5,099)
Preparedness and Protection	² 109,873	² 73,153	179,095
Response	226,228	171,897	179,681
Urban Search and Rescue Response Systems	(41,250)	(27,513)	(35,180)
Recovery	78,373	55,423	55,423

SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request ¹	Committee recommendations ¹
Mitigation	43,675	27,110	29,837
Mission Support	² 219,433	152,806	167,895
Centrally Managed Accounts	107,273	94,180	109,587
Total, Salaries and Expenses	895,350	789,172	979,402

¹ Reflects a realignment of activity within PPAs.² Excludes a transfer from "State and Local Programs".

PROGRAM LEVEL COMPARISONS

A comparison of FEMA funding levels between the fiscal year 2012 enacted, budget request, and Committee recommendation level is complicated by several factors, including a realignment of funding within PPAs and transfers from the "State and Local Programs" account.

In the Department of Homeland Security Appropriations Act, 2012, the Committee provided a new PPA structure for FEMA "Salaries and Expenses." Using temporary authority provided in that Act, FEMA realigned funding directly to the regions for preparedness and protection, response, recovery, and mitigation activities.

In addition, as FEMA's responsibilities have increased through reorganizations, varying levels of transfers between FEMA accounts have been proposed in the budget and enacted into law. In order to promote transparency, the Committee recommendation ends this practice and provides the funding in the account and program from which it is spent.

The following table shows comparable levels of funding by PPA for "Salaries and Expenses", after all transfers and realignments are accounted for. A similar table is included under State and local programs to provide an accurate comparison of grant funding.

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Administrative and Regional Offices	255,308	257,884	257,884
Preparedness and Protection	198,832	178,595	179,095
Response	191,771	171,897	179,681
Recovery	55,299	55,423	55,423
Mitigation	30,650	27,110	29,837
Mission Support	190,438	152,806	167,895
Centrally Managed Accounts	109,080	109,587	109,587
Subtotal	1,031,378	953,302	979,402

BUDGET PRESENTATION

The Committee includes a provision directing FEMA to submit its fiscal year 2014 budget request, including justification materials, by office. Each office and FEMA region shall include (1) budget detail by object classification; (2) the number of FTE on-board; (3) the number of FTE vacancies; and (4) the appropriations account(s) used to support the office and the programs managed by the office. The level of detail provides improved transparency and refined tracking of actual spending.

In the fiscal year 2012 Joint Explanatory Statement, FEMA was directed to request its budget in the same format and PPA structure as appropriated in fiscal year 2012 in order for Congress to interpret the request in the context of previous years. Disappointingly, the administration chose not to comply with the direction and the Committee was left once again parsing through the details with no context, receiving delayed additional information, and finally cobbling together the request.

The Administrator of FEMA is directed to present the fiscal year 2014 budget request in the same account and PPA structure as provided in this bill and report. If in the administration's view, there is a reason to adjust the format, the Committee directs FEMA to request such adjustments in an addendum with a clear justification for how the changes facilitate better resource management and transparency in spending.

PROGRAM ACTIVITIES

The budget request includes \$279,304,000 under the "State and Local Programs" account for transfer to "Salaries and Expenses." To provide greater transparency and better budget execution, the Committee recommendation includes \$164,130,000 for the following activities at the requested levels in the listed PPAs, instead of as part of a transfer. Administration and Regional Offices PPA: \$43,281,000 for Evaluations and Assessments, National Preparedness Directorate Regional Support and Grants Preparedness Directorate Regional Support. Preparedness and Protection PPA: \$105,442,000 for Preparedness and Protection Front Office Programs, National Preparedness Directorate, Office of Preparedness Integration and Coordination, National Integration Center, Individual and Community Preparedness Division, National Training and Education Division, Technical Assistance, Office of the Assistant Administrator, Grants Administration and Assistance Division, Preparedness Grants Division, Program Administration for Assistance to Firefighter Grants, and Program Administration for Emergency Management Performance Grants. Centrally Managed Accounts: \$15,407,000 for National Preparedness Directorate and Grants Preparedness Directorate Enterprise Costs. The Committee recommends the remaining \$115,174,000, which is proposed for transfer from "State and Local Programs" remain in that account for programs as shown under that heading.

Of the total amounts provided, not less than: \$2,000,000 is for the Emergency Management Assistance Compact under the Preparedness and Protection PPA; \$2,589,000 is for the National Hurricane Program under the Response PPA; \$8,798,000 is for the National Earthquake Hazards Reduction Program and \$9,360,000 is for the National Dam Safety Program under the Mitigation PPA.

FEMA is directed to ensure all divisions in FEMA, including training centers, are able to receive appropriate gifts, such as training aids, through appropriate legal means. In the rare instances of using official reception and representation expenses, the Administrator shall consider the needs of all entities in FEMA who receive non-DHS visitors.

AUTOMATION MODERNIZATION

The Committee provides \$14,689,000 to continue FEMA's automation modernization program. The funding and reporting requirement continued in this act provide the means and structure for FEMA to modernize its systems for better performance and future costs savings. The Committee expects to receive the expenditure plan and strategy required in the fiscal year 2012 Joint Explanatory Statement in a timely fashion. FEMA shall continue to include the DHS CIO in planning efforts to ensure compatibility with Department systems where practicable.

OFFICE OF NATIONAL CAPITAL REGION COORDINATION

The Committee recommends \$5,099,000 for the Office of National Capital Region Coordination, \$394,000 below the fiscal year 2012 level and the same amount included in the request. The Committee recognizes the unique responsibilities of the Office in coordinating emergency preparedness and response activity in a high-population area, where the workforce is made up of many independently operating Federal agencies and the District of Columbia, and where National leaders and foreign dignitaries are ever present. The Committee directs the Office to work expeditiously on its high-priority activities such as aligning Federal building emergency plans and evacuation procedures to facilitate an orderly evacuation for no-notice events; and facilitating daily data sharing across local, State, and the plethora of Federal sources for situational awareness.

URBAN SEARCH AND RESCUE RESPONSE SYSTEM

The Committee recommends \$35,180,000 for the Urban Search and Rescue Response System, \$6,070,000 below the fiscal year 2012 level and \$7,667,000 above the budget request. Funding will sustain the existing system and additional chemical, biological, nuclear, radiological, and explosives capabilities gained in fiscal year 2012.

COMMITTEE BRIEFINGS AND REPORTS

The Deputy Administrator is directed to continue quarterly briefings on progress made to stabilize the Agency's core administrative functions of budgeting, human capital management, and information technology.

The Committee notes that several reports required in the Joint Explanatory Statement accompanying the Department of Homeland Security Appropriations Act, 2012, are due to the Committee in the coming months, including a report related to planning, regional catastrophic preparedness, and planning and education. These reports will be critical to the Committee's understanding of FEMA program execution.

CHILDREN AND DISASTERS

The Committee directs FEMA to maintain the Children's Coordinator position within the Office of the Administrator and sustain the on-going efforts of the working group to address children's disaster-related needs. Each of these efforts is consistent with rec-

ommendations of the National Commission on Children and Disasters, which highlighted the unique disaster-related needs of America's 73 million children.

Further, the Committee notes Senate Report 112-74 requires a report on the grant expenditures related to ensuring the needs of children are met. This report has not yet been submitted and the Committee expects to receive it without further delay. FEMA is directed to provide an updated report not later than 120 days after the date of enactment of this act. The report shall include all sources of FEMA grants, such as preparedness and mitigation grants.

OFFICE OF DISABILITY INTEGRATION AND COORDINATION

The Committee directs FEMA to continue implementation of the Office of Disability Integration and Coordination to ensure the integration of people with disabilities into emergency preparedness, protection, mitigation, evacuation, sheltering, transition, resiliency, and recovery plans.

INTERNATIONAL READINESS

Disasters are growing more frequent and more extreme worldwide. The Committee believes FEMA is in a prime position to share its lessons learned and expertise with other nations, and vice versa. FEMA is directed to brief the Committee not later than 45 days after the date of enactment of this act on current efforts to work with other nations on building emergency management expertise, including a review of how related policy organizations could support FEMA in this effort.

RESILIENCE

The Committee encourages FEMA to continue its efforts related to the Strategic Foresight Initiative, which serves the emergency management community by looking at factors that are likely to change, such as demographic shifts and technological advances, in the context of all hazards which are increasing in intensity.

Weather-related disasters in recent years have caused a significant strain on our economy. The Committee encourages FEMA to consider the need to complete additional studies, in coordination with qualified entities, to evaluate mechanisms that improve resilience and reduce the costs and losses from disasters.

GRANT EFFECTIVENESS

The Committee included a provision in the Department of Homeland Security Appropriations Act, 2012, withholding \$1,400,000 in funding from the Office of the Administrator until the Committee receives a comprehensive plan to implement a system to measure the effectiveness of grants. The Committee has not yet received the report.

NATIONAL PREPAREDNESS REPORT

The Committee is pleased to note the first annual National Preparedness Report has been completed. The Report marks a maturation of the Nation's emergency management ethos that is critical

in serving its citizens during their time of need. The Committee expects that the remaining reports on preparedness, as required in the Post-Katrina Emergency Management Reform Act, will be delivered without delay.

EVALUATIONS AND ASSESSMENTS

The Committee provides \$11,906,000 for evaluations and assessments, as requested, in the administration and Regional Offices PPA. The Committee is concerned that after consistent and stable funding for this activity, a comprehensive and effective set of evaluations and assessments of FEMA's programs is not available to Congress. Further, the recent completion of the National Preparedness Report highlights the continuing need for a collective set of reliable data sources to continue assessing the preparedness of the Nation. The Deputy Administrator is directed to brief the Committee not later than 30 days after the date of enactment of this act on the specific deliverables that will be completed in fiscal year 2013, and how specifically they will contribute to a better knowledge base. The Deputy Administrator should also identify programs that are no longer needed under this activity.

DISASTER DAMAGE ASSESSMENTS

The Administrator of FEMA is directed to report to the Committee not later than 120 days after the date of enactment of this act on alternatives to the current damage assessment process, including an analysis of regional assessment and declarations.

RECOVERY AND MITIGATION FRAMEWORK

The Committee is pleased that FEMA issued the National Disaster Recovery Framework in September 2011 to identify the roles and responsibilities of all levels of government, individuals, and the nonprofit and private sectors during each phase of the recovery process. The Committee is also pleased that FEMA is developing a National Mitigation Framework to promote the identification of opportunities and collaborative efforts to reduce vulnerability to future hazards. FEMA is directed to remain focused on these efforts and provide the necessary resources to improve, finalize, operationalize, implement, and sustain both the Frameworks.

MOUNT WEATHER

Of the total amount made available, \$22,000,000 is included for Mount Weather capital improvements and operations, as requested. The Administrator of FEMA is directed to provide an expenditure plan for capital improvements for the Mount Weather facility through fiscal year 2018, not later than February 15, 2013.

STATE AND LOCAL PROGRAMS

Appropriations, 2012	\$1,349,681,000
Budget estimate, 2013 ¹	2,900,212,000
Committee recommendation	1,645,082,000

¹Includes \$670,000,000 proposed for Firefighter Assistance Grants and \$350,000,000 proposed for Emergency Management Performance Grants, which continue to be funded in separate accounts, and \$279,304,000 for transfer to "Salaries and Expenses".

State and local programs provide grants for training, equipment (including interoperable communications equipment), and exercises to improve readiness for potential disasters.

COMMITTEE RECOMMENDATIONS

The Committee recommends total appropriations of \$1,645,082,000 for State and local programs. The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

STATE AND LOCAL PROGRAMS

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Grants:			
National Preparedness Grant Program		1,540,908	.....
State and local program (grants)	1,118,000		.....
State Homeland Security Grant Program			470,000
Operation Stonegarden	(50,000)		(55,000)
Urban Area Security Initiative			676,908
Non-profit Security Grants			(13,000)
Public Transportation Security/Railroad Security/Bus Assist- ance			132,000
Amtrak			(13,000)
Port Security Grants			132,000
First Responder Assistance Programs:			
Emergency Management Performance Grants	(¹)	350,000	(¹)
Firefighter Assistance Grants	(¹)	670,000	(¹)
Training Partnership Grants		60,000	.....
Subtotal, First Responder Assistance Programs		1,080,000	.....
Management and Administration		279,304	.....
Subtotal, Grants	1,118,000	2,900,212	1,410,908
Education, Training, and Exercises:			
Emergency Management Institute	16,181	(²)	17,805
Center for Domestic Preparedness	62,500	(²)	64,991
National Domestic Preparedness Consortium	93,000	.....	93,000
Continuing training	26,000	.....	26,000
National Exercise Program	34,000	(²)	32,378
Subtotal, Education, Training, and Exercises	231,681	.....	234,174
Total, State and Local Programs	1,349,681	2,900,212	1,645,082

¹ Funds appropriated under a separate account.

² Funds proposed under Management and Administration in this account.

PROGRAM LEVEL COMPARISONS

A comparison of FEMA funding levels between the fiscal year 2012 enacted, budget request, and committee recommendation is complicated by several factors, including: grant program changes; transfers to the "Salaries and Expenses" account for program administration; and funding requested and executed within "Salaries and Expenses" for training and exercises. The Committee recommendation ends the practice of transfers to "Salaries and Expenses" and provides the funding in the account and program from which it is spent. This provides greater transparency.

The following table shows comparable levels of funding taking into account transfers and the Secretary's discretionary distribution of fiscal year 2012 grant funding, after all transfers and program changes are accounted for:

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
National Preparedness Grant Program		1,540,908	.....
State Homeland Security Grant Program	300,000	.....	415,000
Operation Stonegarden	46,600	.....	55,000
Urban Area Security Initiative	490,376	.....	663,908
Non-profit Security Grants	10,000	.....	13,000
Transit and Rail Security Grants	87,500	.....	119,000
Amtrak	10,000	.....	13,000
Port Security Grants	97,500	.....	132,000
Total	1,041,976	1,540,908	1,410,908
Training Partnership Grants		60,000	.....
Emergency Management Institute	18,735	.....	17,805
Center for Domestic Preparedness	64,241	.....	64,991
National Domestic Preparedness Consortium	86,676	.....	93,000
Continuing training	23,994	.....	26,000
National Exercise Program	33,693	.....	32,378
Total	227,339	175,174	234,174

GRANT REFORM

The Committee appreciates the efforts of the Secretary and the Administrator of FEMA to ensure homeland security grants are meeting the Nation's needs through proposing grant reform in the budget request. It has been over 10 years since homeland security grants were first appropriated. The first annual National Preparedness Report found that the Nation has increased ability in several core capabilities, such as operational communications and coordination, physical protective measures, and planning. Now is an appropriate time to closely examine what the Nation still needs in preparing for all hazards and how we accomplish filling that need. However, the reform proposal in the budget leaves key questions unanswered such as, how risk assessments will be used in determining the distribution of resources, and to whom Federal resources will be allocated. The Committee appreciates that the Department and FEMA are seeking stakeholder input to answer these key questions. However, until such questions can be answered, it is premature to approve the reform proposal. The Secretary and the Administrator are directed to refine the proposal and include enough detail for the appropriate committees of jurisdiction and the general public to understand: how funds will be allocated; to whom; and for what purpose. The completion of this process, including all of the appropriate stakeholders, shall take place in sufficient time to inform the fiscal year 2014 budget process.

For fiscal year 2013, the Committee recommends funding four core State and local grant programs: the State Homeland Security Grant Program, the Urban Area Security Initiative, Transit and Rail Security, and Port Security. Activities previously funded

through eight separate programs in fiscal year 2011 are eligible for funding from the four funded grant programs.

GRANTS MANAGEMENT

The Committee includes specific timeframes for grant dollar distribution. For each of the grant programs, funding opportunity announcements shall be issued in 60 days, applicants shall apply within 80 days after announcements are made, and FEMA shall act on the application within 65 days after applications are due.

The Department is encouraged to require State and local governments to address child care services and facilities in response and recovery plans, exercises, and training. Additionally, the Committee is concerned that State and local cybersecurity issues are not receiving the needed resources and attention, and the Department is encouraged to require State and local governments to include Chief Information Officers in planning efforts. The Committee is concerned that drinking water and sanitation security needs, especially related to emergency response initiatives, are not adequately addressed. FEMA is encouraged to require State and local governments to include rural water associations in planning efforts. The Committee encourages FEMA to consider the need for severe weather alert systems and reverse 9-1-1 notification systems when evaluating grant applications.

STATE HOMELAND SECURITY GRANT PROGRAM

The Committee recommends \$470,000,000 for the State Homeland Security Grant Program [SHSGP], of which \$55,000,000 shall be for Operation Stonegarden. Activities previously funded under Metropolitan Medical Response System, Citizens Corps, Regional Catastrophic Preparedness, Emergency Operations Centers, Driver's Licenses Security Program, Buffer Zone Protection Program, and the Interoperable Emergency Communication Grant Programs in fiscal year 2011 are eligible for funding under SHSGP.

Operation Stonegarden grants shall continue to be competitively awarded and shall not be restricted to any particular border. As in previous years, FEMA is directed to ensure all border States shall be eligible to apply in fiscal year 2013. Since 2008, Operation Stonegarden has involved 291 participating agencies, allowing the equivalent force multiplier of 65,000 additional law enforcement workdays resulting in 5.7 million patrol miles, 221,771 vehicle stops, 1,380 gun and drug seizures, and 11,830 legal cases.

URBAN AREA SECURITY INITIATIVE

The Committee recommends \$676,908,000 for the Urban Areas Security Initiative [UASI], of which \$13,000,000 shall be for nonprofit entities determined to be at high risk by the Secretary. Eligibility for nonprofit entities shall not be limited to UASI communities. Activities previously funded under Metropolitan Medical Response System, Citizens Corps, Regional Catastrophic Preparedness, Buffer Zone Protection Program, Emergency Operations Centers, and the Interoperable Emergency Communication Grant Programs in fiscal year 2011 are eligible for funding under UASI.

LAW ENFORCEMENT TERRORISM PREVENTION PROGRAM

In accordance with section 2006 of the Homeland Security Act of 2002, the Law Enforcement Terrorism Prevention Program [LETTP] is funded through a required set aside of 25 percent of the funds appropriated through the SHSGP and UASI programs. The Committee directs FEMA to provide clear guidance to State and urban areas to ensure that the intent of LETTP is fully realized. The Committee expects to receive the report on expenditures for prevention activities, as required in Senate Report 112-74, without delay. FEMA is directed to provide an update of the report not later than 120 days after the date of enactment of this act.

PUBLIC TRANSPORTATION SECURITY ASSISTANCE AND RAILROAD SECURITY ASSISTANCE

The Committee recommends \$132,000,000 for Public Transportation Security Assistance, Railroad Security Assistance and Over-the-Road Bus Security Assistance. Of the recommended amount, no less than \$13,000,000 is for Amtrak security needs. For fiscal year 2011, over \$700,000,000 in applications were not approved due to limited funding.

PORT SECURITY GRANTS

The Committee recommends \$132,000,000 for the Port Security Grant Program. The Committee notes that training of port facility officials at the Nation's ports is imperative. The Committee notes that operation and maintenance costs for security technology are an allowable expense through grant funding. For fiscal year 2011, over \$220,000,000 in applications were not approved due to limited funding.

EDUCATION, TRAINING, AND EXERCISES

The Committee recommends \$234,174,000 for Education, Training, and Exercises. Of this amount, the Committee recommends \$64,991,000 for the Center for Domestic Preparedness as requested.

The Committee recommends \$93,000,000 of the total for the National Domestic Preparedness Consortium, instead of \$60,000,000 for Training Partnership Grants, as proposed in the budget. The Consortium, authorized by the 9/11 Act, has conducted training in all 50 States and each U.S. territory. Over 1.9 million first responders have been trained to date. The existing Consortium members have proven to be an effective delivery system for this important training. Dismantling the current program and replacing proven instructional bodies with an undefined system of providers would diminish the quality and consistency of training available to first responders.

The Committee includes \$26,000,000 for continuing training grants, instead of \$60,000,000 for Training Partnership Grants, as proposed in the budget. The Committee supports full funding of programs that deliver homeland security curricula in the form of executive education programs and accredited master's degree education. FEMA should consider the training needs of State and local first responders in preparedness and response to cyber attacks; and

in medical readiness training and public health resiliency. FEMA should consider regional training centers in future funding requests.

The Committee includes \$32,378,000 for the National Exercise Program.

FIREFIGHTER ASSISTANCE GRANTS

Appropriations, 2012	\$675,000,000
Budget estimate, 2013 ¹	
Committee recommendation	675,000,000

¹ Budget proposes \$670,000,000 under “State and Local Programs”.

Firefighter assistance grants, as authorized by section 33 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2229), assist local firefighting departments for the purpose of protecting the health and safety of the public and fire fighting personnel, including volunteers and emergency medical service personnel, against fire and fire-related hazards.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$675,000,000 for firefighter assistance grants, including \$337,500,000 for firefighter assistance grants, and \$337,500,000 for firefighter staffing grants, to remain available until September 30, 2014. In fiscal year 2012, of the \$675,000,000 appropriated, \$33,750,000 was dedicated to program administration. For fiscal year 2013, the Committee has included funding for program administration costs under FEMA “Salaries and Expenses”, instead of making such costs allowable under this account. As a result, when compared to fiscal year 2012, total funding for Firefighter Assistance Grants is \$33,750,000 higher.

The Committee directs the Department to continue the present practice of funding applications according to local priorities and those established by the United States Fire Administration, and to continue direct funding to fire departments and the peer review process.

EMERGENCY MANAGEMENT PERFORMANCE GRANTS

Appropriations, 2012	\$350,000,000
Budget estimate, 2013 ¹	
Committee recommendation	350,000,000

¹ Budget proposes \$350,000,000 under “State and Local Programs”.

Funding requested in this account provides support to the Nation’s all-hazards emergency management system and helps to build State and local emergency management capability.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$350,000,000 for Emergency Management Performance Grants [EMPG]. In fiscal year 2012, of the \$350,000,000 appropriated, \$10,500,000 was dedicated to program administration. For fiscal year 2013, the Committee has included funding for program administration costs under FEMA “Salaries and Expenses”, instead of making such costs allowable under this account. As a result, when compared to fiscal year 2012, total funding for Emergency Management Performance Grants is \$10,500,000

higher. EMPG is an essential source of funding for State and local emergency management.

The Committee directs FEMA to retain EMPG as a separate grant program, and not to combine its funding with any other grant allocation or application process.

RADIOLOGICAL EMERGENCY PREPAREDNESS PROGRAM

Appropriations, 2012 ¹	(\$896,000)
Budget estimate, 2013 ¹	(1,443,000)
Committee recommendation ¹	(1,443,000)

¹ Fee collections are estimated to exceed costs.

The Radiological Emergency Preparedness [REP] program assists State and local governments in the development of off-site radiological emergency preparedness plans within the emergency planning zones of commercial nuclear power facilities licensed by the Nuclear Regulatory Commission [NRC]. The fund is financed from fees assessed and collected from the NRC licensees to recover the amounts anticipated to be obligated in the next fiscal year for expenses related to REP program activities.

COMMITTEE RECOMMENDATIONS

The Committee provides for the receipt and expenditure of fees collected, as authorized by Public Law 105–276. The budget estimates fee collections to exceed expenditures by \$1,443,000 in fiscal year 2013.

UNITED STATES FIRE ADMINISTRATION

Appropriations, 2012	\$44,038,000
Budget estimate, 2013	42,520,000
Committee recommendation	44,020,000

The mission of the United States Fire Administration [USFA] is to reduce losses, both economic and human, due to fire and other emergencies through training, research, coordination and support. USFA also prepares the Nation’s first responder and healthcare leaders through ongoing, and when necessary, expedited training regarding how to evaluate and minimize community risk, improve protection to critical infrastructure, and be better prepared to react to all hazard and terrorism emergencies.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$44,020,000 for the USFA, which is \$18,000 below the fiscal year 2012 level and \$1,500,000 above the request. The amount included above the request will allow for the continued development of the National Fire Incident Reporting System and continue programs that promote fire safety and fire prevention in the wildland urban interface.

DISASTER RELIEF FUND
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2012 ¹	\$7,100,000,000
Budget estimate, 2013 ²	6,088,926,000
Committee recommendation ²	6,088,926,000

¹Includes \$6,400,000,000, enacted in Public Law 112-77 and designated by Congress as disaster relief pursuant to Public Law 112-25.

²Includes \$5,481,000,000 designated by Congress as disaster relief pursuant to Public Law 112-25.

Through the Disaster Relief Fund [DRF], the Department provides a significant portion of the total Federal response to victims in presidentially declared major disasters and emergencies. Major disasters are declared when a State requests Federal assistance and proves that a given disaster is beyond the local and State capacity to respond. Under the DRF, FEMA will continue to operate the primary assistance programs, including Federal assistance to individuals and households; and public assistance, which includes the repair and reconstruction of State, local, and nonprofit infrastructure. The post-disaster hazard mitigation set-aside to States, as part of the DRF, works as a companion piece to the National Predisaster Mitigation Fund.

COMMITTEE RECOMMENDATIONS

As requested, the Committee recommends \$6,088,926,000 for the Disaster Relief Fund, of which \$5,481,000,000 is provided under the disaster relief adjustment pursuant to Public Law 112-25. The Committee is pleased the Department has requested amounts for the Disaster Relief Fund that more accurately reflect, based on documented claims and historic evidence, the disaster needs that are likely to arise during this fiscal year, including the costs of previously designated disasters. The Committee will be closely monitoring the demands on the Fund to ensure there is enough to prevent funding only immediate needs which would slow down necessary recovery work.

The Committee includes bill language requiring an expenditure plan and quarterly reports for disaster readiness and support costs; and a monthly report on disaster relief expenditures. The Committee recommends bill language transferring \$24,000,000 to the Department of Homeland Security Office of Inspector General for audits and investigations. Over the past 3 fiscal years, the Office of Inspector General issued 154 audit reports covering grants totaling \$3,400,000,000. Of that total, 145 audits (94 percent) had reportable findings. The audits identified \$641,000,000 in questioned costs that could be put to better use. This represents an average error rate of 19 percent and a 13-to-1 return on investment.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

Appropriations, 2012	\$295,000
Budget estimate, 2013	
Committee recommendation	

Disaster assistance loans authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5162) are loans to States for the non-Federal portion of cost-sharing funds,

and community disaster loans to local governments incurring a substantial loss of tax and other revenues as a result of a major disaster. The funds requested for this program include direct loans and a subsidy based on criteria including loan amount and interest charged. As required by the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.), this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans), as well as administrative expenses of the program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

COMMITTEE RECOMMENDATIONS

As requested in the budget, the Committee does not include any funding to subsidize State disaster loans. State loans have not been requested or awarded since 1996.

FLOOD HAZARD MAPPING AND RISK ANALYSIS

Appropriations, 2012	\$97,712,000
Budget estimate, 2013	89,329,000
Committee recommendation	97,329,000

This appropriation supports the functions necessary to develop, and keep current, flood risk information and flood maps. The flood maps are used to determine appropriate risk-based premium rates for the National Flood Insurance Program, to complete flood hazard determinations required of the Nation’s lending institutions, and to develop appropriate disaster response plans for Federal, State, and local emergency management personnel.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$97,329,000 for Flood Hazard Mapping and Risk Analysis, \$8,000,000 above the budget request and \$383,000 below the fiscal year 2012 level. To date, only 55 percent of flood maps have been updated with the most current data. Therefore, the Committee restores \$8,000,000 of the proposed reduction.

Updating our Nation’s Flood Insurance Rate Maps and certifying the safety of our levees is an important task, and the Committee supports efforts to provide better information to residents about flood risk in their communities. The Committee urges FEMA to continue to work with the United States Army Corps of Engineers [USACE] to ensure the accuracy of the maps, coordinate outreach to local stakeholders throughout this process, and better coordinate answers to questions about flood mapping, flood insurance, and flood control infrastructure projects. Further, the Committee directs FEMA, in conjunction with the USACE, to fully complete the reporting requirements included in Senate Report 111–118 accompanying the fiscal year 2010 Supplemental Disaster Relief and Summer Jobs Act, including providing GAO with the relevant information needed for it to complete the requirement prescribed in the report.

The Committee is pleased that FEMA continues to offer communities the option to request review of pending flood maps by Sci-

entific Resolution Panels comprised of independent experts and encourages the continuation of this adjudicative option. The Committee also commends FEMA for working to improve the accuracy of its flood risk analysis by modifying mapping procedures to account for all levees within a community, including those which offer varying degrees of protection, on newly developed Flood Insurance Risk Maps.

Senate Report 112-74 directed FEMA to convene a joint task force with USACE to better align National Flood Insurance Program levee accreditation requirements with levee inspections performed by or for USACE. The Committee expects to receive the required report in a timely fashion and directs the continued operation of this task force to address pertinent issues.

NATIONAL FLOOD INSURANCE FUND

Appropriations, 2012 ¹	(\$171,000,000)
Budget estimate, 2013 ¹	(171,000,000)
Committee recommendation ¹	(171,000,000)

¹Fully offset by fee collections.

The National Flood Insurance Fund is a fee-generated fund which provides funding for the National Flood Insurance Program. This program enables property owners to purchase flood insurance otherwise unavailable in the commercial market. The National Flood Insurance Act of 1968 authorizes the Federal Government to provide flood insurance on a national basis. This insurance is available to communities which enact and enforce appropriate floodplain management measures and covers virtually all types of buildings and their contents up to \$350,000 for residential types and \$1,000,000 for all other types.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$171,000,000, as proposed in the budget, for the National Flood Insurance Fund, of which \$40,000,000 is for expenses under section 1366 of the National Flood Insurance Act (42 U.S.C. 4104c) to provide assistance planning to States and communities for implementing floodplain management measures to reduce or eliminate the long-term risk of flood damage to buildings and other structures eligible for insurance under the National Flood Insurance Program.

The Committee does not recommend elimination of funding for the Severe Repetitive Loss Program, as proposed in the budget. In fiscal year 2012, over \$65,000,000 in applications were received for the severe repetitive loss program.

The Committee supports FEMA's efforts to analyze and improve the ways flood control infrastructure are treated under the National Flood Insurance Program. The Committee is concerned with possible increases to the costs of the National Flood Insurance Program as the definition of areas of special flood hazards changes. Therefore, the Committee directs FEMA, prior to any further adjustment to the definition of areas of special flood hazards related to the treatment of flood control infrastructure, to report to the Committee on Appropriations and the Committee on Banking, Housing, and Urban Affairs on its final guidance for its ongoing efforts to improve Levee Analysis and Mapping Procedures as well

as on the final findings of its ongoing study with the National Academy of Sciences on the treatment of flood control infrastructure under the program.

NATIONAL PREDISASTER MITIGATION FUND

Appropriations, 2012	\$35,500,000
Budget estimate, 2013	
Committee recommendation	35,000,000

The National Predisaster Mitigation [PDM] Fund provides grants to States, communities, territories, and Indian tribal governments for hazard mitigation planning and implementing mitigation projects prior to a disaster event. PDM grants are awarded on a competitive basis. This program operates independent of the Hazard Mitigation Grant Program, funded through the Disaster Relief Fund, which provides grants to a State in which a disaster has been declared.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$35,000,000 for PDM, \$35,000,000 above the request and \$500,000 below the fiscal year 2012 level. The Committee continues to support predisaster mitigation, and recognizes the importance of coordinating predisaster mitigation projects with projects being completed through the post-disaster Hazard Mitigation Grant Program.

In fiscal year 2011, 30 percent of grant awards went to States that did not have a Presidential disaster declaration which would provide for post-disaster mitigation. The Committee is concerned that eliminating PDM will leave some States with no mitigation planning or project funding.

The Committee does not include any funding to FEMA for program administration due to sufficient funding being available through carry over balances for this purpose.

EMERGENCY FOOD AND SHELTER

Appropriations, 2012	\$120,000,000
Budget estimate, 2013	100,000,000
Committee recommendation	150,000,000

This appropriation funds grants to nonprofit and faith-based organizations at the local level to supplement their programs for emergency food and shelter to provide for the immediate needs of the homeless.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$150,000,000 for Emergency Food and Shelter, which is \$50,000,000 above the budget request level and \$30,000,000 above the fiscal year 2012 level. The Committee continues to support the Emergency Food and Shelter Program, and recognizes it as one program, in conjunction with other Federal programs, that serves those in immediate need of food and shelter assistance. This funding helped provide 89,014,368 meals, 5,184,274 nights of lodging, 127,001 rent and mortgage payments, and 145,457 utility payments for people in need in fiscal year 2010.

TITLE IV

RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES

Appropriations, 2012	\$102,424,000
Budget estimate, 2013	142,974,000
Committee recommendation	116,924,000

United States Citizenship and Immigration Services [USCIS] funds expenses necessary for the administration of laws and the provision of services related to people seeking to enter, reside, work, and naturalize in the United States. In addition to directly appropriated resources, fee collections are available for the operations of USCIS.

Immigration Examinations Fees.—USCIS collects fees from persons applying for immigration benefits to support the adjudication of applications, as authorized by the Immigration and Nationality Act (8 U.S.C. 1356).

H1-B and L Fraud Prevention and Detection Fees.—USCIS collects fees from petitioners seeking a beneficiary's initial grant of H1-B or L nonimmigrant classification or those petitioners seeking to change a beneficiary's employer within those classifications (Public Law 108-447).

H1-B Nonimmigrant Petitioner Fees.—USCIS collects fees from petitioners using the H1-B program (Public Law 108-447).

COMMITTEE RECOMMENDATIONS

The Committee recommends total resources of \$2,999,381,000 including direct appropriations of \$116,924,000 and estimated fee collections of \$2,882,457,000.

The Committee recommends no direct appropriations for the Systematic Alien Verification System [SAVE], instead of \$20,048,000 as requested in the budget. SAVE shall continue to be a fee-funded activity and the authorized fee accounts have been adjusted to reflect this change.

E-VERIFY

The Committee recommends \$111,924,000 for the E-verify program, as requested. The Committee supports E-Verify and the effort the Department is performing to improve E-Verify's ability to automatically verify those who are work authorized, detect identity fraud, and detect system misuse and discrimination. E-Verify is both a tool for employers committed to maintaining a legal workforce and a deterrent to illegal immigration. The Committee notes progress continues to be made on reducing the mismatch rate.

The growth in E-Verify use by employers has significantly increased from fewer than 25,000 employers in fiscal year 2007 to

more than 290,000 employers in fiscal year 2011. The Committee directs the Director of USCIS to provide a report not later than 90 days after the date of enactment of this act identifying the costs of expanding the use of E-Verify.

IMMIGRANT INTEGRATION

The Committee recommends \$5,000,000 for immigrant integration grants in direct appropriations and includes a general provision directing that an additional \$5,000,000 be made available for these grants via fees. The grants shall be available to assist individuals who are legally authorized to be present in the United States. The Committee believes it is important to assist individuals following the law and working to become citizens. However, the Committee directs that no appropriations be used to operate the Office of Citizenship Services and that its operation continue to be fee-funded. Additionally, the Committee continues to be concerned that costs to administer the grant program currently may exceed 11 percent of the grant award total and directs that no more than 5 percent of the grant funding level from either appropriated dollars or fees be used to administer the program in fiscal year 2013.

ADOPTIONS IN GUATEMALA

The Committee commends USCIS and the Department of State [DOS] for their diligent efforts regarding intercountry adoptions in Guatemala, and encourages ongoing cooperation between the United States and the Guatemalan government to complete all remaining cases. Since the Hague Adoption Convention entered into force for the United States on April 1, 2008, no new adoptions have been possible from Guatemala because DOS, as the Hague Central Authority, has found the Guatemalan system is not in compliance with the Convention's requirements. As of April 1, 2008, some 3,600 adoption cases were in progress. Most of those pending cases were resolved by mid-2009. Over the past year, USCIS and DOS have been working closely with Guatemalan authorities in an effort to identify all remaining adoption cases and resolve them. USCIS has worked extensively with U.S. prospective adoptive parents to gather information about the children with whom they have been matched in Guatemala, and has generated a comprehensive and authoritative list of pending cases and associated records that will streamline and expedite the process.

USE OF PAROLE

The Committee encourages DHS use of parole authority under section 212(d)(5) of the Immigration and Nationality Act to address urgent humanitarian needs—especially in the interest of family unity and to address medical emergencies—in the period following exceptionally calamitous natural disasters such as the Haitian earthquake on January 12, 2010. The Committee urges the Secretary to allocate sufficient resources for similar appropriate responsiveness to rare and exceptionally deadly and destructive natural disasters in the future.

E-VERIFY IN AGRICULTURAL SETTINGS

The Committee directs USCIS to jointly brief the Senate Committees on Appropriations and the Judiciary not later than 120 days after the date of enactment of this act on recommendations regarding how the E-Verify system can be most effectively used in the agricultural industry. The briefing should include an update on USCIS' consideration and development of technologies and strategies that address implementation challenges commonly encountered in agriculture, such as non-office-based hiring, limited access to high-speed Internet, prevalence of seasonal employment, and high turnover.

COMMITTEE RECOMMENDATIONS

The following table, which includes appropriations and estimated fee collections, summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

UNITED STATES CITIZENSHIP AND IMMIGRATION SERVICES—PROGRAM SUMMARY

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Appropriations:			
E-Verify	102,424	111,924	111,924
Systematic Alien Verification for Entitlements (SAVE)		20,048	20,048
Immigrant Integration Programs		11,002	5,000
Total, Appropriations	102,424	142,974	116,924
Fee collections:¹			
Adjudication services (fee account):			
District operations	1,315,570	1,318,771	1,318,771
(Immigrant integration grants)	[4,960]		[5,000]
Service Center operations	532,414	520,029	520,029
Asylum, Refugee and international operations	196,877	196,274	196,274
Records operations	86,631	86,774	86,774
Business transformation	344,055	269,216	269,216
(Digitization program)	[29,000]		
Subtotal, Adjudication services	2,475,547	2,391,064	2,391,064
Information and customer services (fee account): Information and customer services	88,891	89,011	89,011
Administration (fee account): Operation expenses	381,666	382,334	382,334
SAVE, (fee account)	29,937		20,048
Total, fee collections	2,976,041	2,862,409	2,882,457

¹ Includes Immigration Examination Fee Account, H1-B Visa Fee Account, and H1-B and L Fraud Prevention Fee Account.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Appropriations, 2012 ¹	\$238,957,000
Budget estimate, 2013 ²	228,939,000
Committee recommendation ²	228,939,000

¹ Includes \$1,304,000 for Federal Law Enforcement Accreditation.

² Includes \$1,303,000 for Federal Law Enforcement Accreditation.

The Federal Law Enforcement Training Center Salaries and Expenses appropriation provides funds for basic and some advanced training to Federal law enforcement personnel from more than 90 agencies. This account also allows for research of new training methodologies; provides for training to certain State, local, and foreign law enforcement personnel on a space-available basis; and accreditation of Federal law enforcement training programs.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$228,939,000 for salaries and expenses of the Federal Law Enforcement Training Center [FLETC] for fiscal year 2013. Within the funds provided is \$29,261,000 for Management and Administration and \$1,303,000 for the Federal Law Enforcement Training Accreditation Board.

The Committee includes bill language requiring the Director of FLETC to ensure all training centers are operated at the highest capacity feasible throughout the fiscal year. The Committee also expects the Director to maintain training at or near capacity before entering into new leases with private contractors or establishing new partner organizations.

INTEGRITY TRAINING

The Federal Government has experienced a significant increase in law enforcement officer hiring in the years since the tragic attacks on September 11, 2001. The Committee believes it is critical that all Federal law enforcement personnel, especially new hires, receive comprehensive training in ethics and public integrity. The Committee notes that Federal law enforcement personnel receive ethics training as part of their basic training at FLETC and expects that all newly hired Federal law enforcement officers will receive such training wherever they are trained.

ACQUISITIONS, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

Appropriations, 2012	\$32,456,000
Budget estimate, 2013	29,385,000
Committee recommendation	29,385,000

This account provides for the acquisition and related costs for expansion and maintenance of facilities of the Federal Law Enforcement Training Center [FLETC]. This includes construction and maintenance of facilities and environmental compliance. The environmental compliance funds ensure compliance with Environmental Protection Agency and State environmental laws and regulations.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$29,385,000, the same as the President's request and \$3,071,000 below the fiscal year 2012 amount, for acquisition, construction, improvements, and related expenses for expansion and maintenance of FLETC facilities.

SCIENCE AND TECHNOLOGY

SUMMARY

The mission of Science and Technology [S&T] is to conduct, stimulate, and enable homeland security research, development, testing, and to facilitate the timely transition of capabilities to Federal, State, local, and tribal end-users.

MANAGEMENT AND ADMINISTRATION

Appropriations, 2012	\$135,000,000
Budget estimate, 2013	138,008,000
Committee recommendation	138,008,000

The Management and Administration account funds salaries and expenses related to the Office of the Under Secretary for Science and Technology, and headquarters.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$138,008,000 for management and administration of programs and activities carried out by S&T. Of this amount, the Committee recommends not to exceed \$7,650 for official reception and representation expenses.

The recommended amount is the same level as requested in the budget and \$3,008,000 above the fiscal year 2012 level.

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

Appropriations, 2012	\$533,000,000
Budget estimate, 2013	693,464,000
Committee recommendation	693,464,000

Science and Technology supports the mission of DHS through basic and applied research, fabrication of prototypes, research and development to mitigate the effects of weapons of mass destruction, as well as acquiring and field testing equipment.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$693,464,000, for research, development, acquisition, and operations of S&T. The recommended amount is the same level as in the budget request and \$160,464,000 above the fiscal year 2012 level.

Due to the significant reduction below the request in fiscal year 2012, Congress provided S&T with one PPA for research and development funding called "Research, Development, and Innovation" [RD&I] for fiscal year 2012. The single PPA structure was approved in order to provide S&T with flexibility to effectively manage a steep reduction in funding. The President's request proposes to continue this budget account structure in fiscal year 2013. With a more robust funding level recommended in fiscal year 2013, the Committee does not support the consolidation of all research areas into one account, as it reduces transparency and accountability of S&T's primary research funding. Therefore, the Committee modifies the requested budget structure by including the six research areas identified in the budget request as PPAs under RD&I: Apex Research and Development [R&D]; Border Security; Chemical, Bio-

logical, Radiological, Nuclear, and Explosives Defense; Counter Terrorist R&D; Cyber Security; and Disaster Resilience.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

SCIENCE AND TECHNOLOGY-RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Research, Development, and Innovation	265,783	478,048	.....
RD&I: Apex R&D		[15,000]	15,000
RD&I: Border Security		[31,652]	31,652
RD&I: Chem/Bio/Radiological/Nuclear/Explosives Defense		[197,688]	197,688
RD&I: Counter Terrorist R&D		[25,493]	25,493
RD&I: Cyber Security		[64,477]	64,477
RD&I: Disaster Resilience		[143,738]	143,738
Acquisition and Operations Support	54,154	47,984	47,984
Laboratory Facilities (operations and construction)	176,500	127,432	127,432
University Programs	36,563	40,000	40,000
Total, Research, Development, Acquisition and Operations	533,000	693,464	693,464

REPORTING REQUIREMENTS

S&T is directed to continue to provide the following:

- quarterly briefings to the Committee on the test and evaluation status of all level 1 acquisitions;
- a report on results of its research and development for the prior fiscal year; and
- a report on the amounts de-obligated from projects during the prior fiscal year and to what projects those funds were subsequently obligated.

The reports listed above are to be submitted in conjunction with the fiscal year 2014 President's budget request. Further, the report on the results of research and development should detail all technologies, technology improvements, or capabilities delivered to front line users.

No later than 120 days after the enactment of this act, S&T is to brief the Committee on its progress in implementing its new strategic initiatives, including:

- transition to use (moving new technologies from concept to practical application);
- improving private sector partnerships;
- technology foraging;
- acquisition support for DHS components;
- support of the First Responder Community; and
- addressing high-priority “urgent” problems identified by component heads—known as Apex R&D Projects.

APEX R&D

The Committee notes that S&T has implemented a new program called Apex, which is focused on high-priority and high-value projects needed in a short turn-around for DHS components. Unlike other S&T research initiatives, Apex projects are collaborative efforts between DHS component heads and the Under Secretary for

S&T. The Committee is supportive of the Apex concept, especially since it is focused on expediting technology solutions to the field. S&T and the partner components are to brief the Committee no later than 60 days after the date of enactment of this act and periodically thereafter on: the funding allocation by project; and progress made to field improved technologies, including a schedule for evaluation and testing of technical solutions in relevant operational environments.

With regard to S&T's ongoing work with the Secret Service to provide a roadmap for technology solutions for protective mission requirements, the initial results appear to be promising. However, the Committee expects metrics to be established for APEX partnerships to judge the true value of the program. Follow-on evaluations will be necessary to determine the Service's progress in fielding improved technologies for its protective mission and how those solutions improved performance in relevant operational environments.

DISASTER RESILIENCE

The Committee notes that, within the last decade, record-breaking hurricanes, tornadoes, and floods have devastated the Southeast Region of the United States. These events have cost our Nation thousands of lives and billions of dollars. This region also has the potential for a significant earthquake. Within the \$143,738,000 provided for disaster resilience research, the Committee encourages S&T to work with appropriate universities and existing Federal research centers to address these unique challenges through competitively awarded projects.

CYBERSECURITY

The Committee believes that sophisticated cyber attacks, such as those launched against Estonia, Georgia, and elsewhere around the world, could have devastating consequences if such attacks targeted America's financial market infrastructure. Because financial markets depend exclusively on the digital transmission of data, disrupting the confidentiality, integrity, or availability of market transactions or other information could have catastrophic and cascading economic effects. Such a disruption of or intrusion into U.S. financial services could result in a renewed global economic downturn. The Committee directs S&T to submit a report not later than 90 days after the date of enactment of this act on the expenditure of fiscal year 2010, 2011, and 2012 funds for the purpose of financial sector attack simulation and collaboration with industry partners in the U.S. financial sector, and on the outcomes of those investments. Within the amount provided for cyber security research for fiscal year 2013, the Committee encourages S&T to robustly fund cyber security programs that will assist the U.S. financial industry in preparing for and defending against cyber attacks. The Committee also encourages S&T to extend the cyber security exercise technology developed for the financial services sector to other critical infrastructure sectors, such as the energy and transportation sectors.

The Committee encourages the Department of Homeland Security to fund multi-disciplinary programs of study and research that focus on tackling cyber security issues on a global scale, including

institutions of higher education with National Security Agency-designated Centers of Academic Excellence for Information Assurance Education and Centers for Academic Excellence for Information Assurance Research.

FIRST RESPONDER COMMUNICATIONS EQUIPMENT STANDARDS

S&T, in conjunction with the Director of the National Institute of Standards and Technology, shall continue assessing the compliance of first responder communication equipment with common standards for digital public safety radio communications (Project 25 standards).

With the re-allocation of the D Block to the new public safety broadband network, S&T shall also develop transitional solutions that permit and maintain interoperability among legacy public safety communications systems and emerging broadband networks.

CANINES

The Committee recognizes the critical benefit canines trained to detect explosives provide to homeland security. The Committee encourages the Department to support research that studies the olfactory system, genetic markers, and behavior traits of detection canines in order to increase the capabilities and quality of these 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 explosives-detection canines.

TEST AND EVALUATION [T&E]

Within the amount provided for "Acquisition, Operations and Support", no less than \$6,640,000 shall be for S&T to establish policies and procedures for and to coordinate and monitor the T&E activities across the DHS acquisition framework. Testing and evaluation of new technologies prior to their acquisition and deployment will, in the long-run, save money through the prevention of wasteful spending.

DIGITAL IMAGING AND COMMUNICATIONS IN SECURITY

The Committee is aware that S&T is reviewing a recently established standard designed to facilitate the exchange of digital information between security-imaging equipment from different manufacturers to enhance security screening capabilities. Given the potential benefit of this new standard, the Committee encourages S&T to complete this review expeditiously.

LABORATORY FACILITIES

The Committee recommendation includes \$127,432,000 for Laboratory Facilities, as requested. No funding was requested in the budget for National Bio and Agro Defense Facility [NBAF] construction, which is estimated to cost \$1,138,000,000. According to the Secretary of Homeland Security in testimony before the Committee, the Department is re-evaluating the scope and costs of the project in light of the Budget Control Act spending limits. According to the Department's budget justification, "DHS, beginning in

fiscal year 2012, will convene an expert and stakeholder taskforce, in conjunction with the interagency, to conduct a comprehensive assessment of whether and for what purpose a BSL 4 facility should be stood up. This taskforce will consider current threats from terrorism, foreign animals and the global migration of zoonotic diseases to U.S. agriculture. This assessment will also review the cost, safety, and any alternatives to the current plan that would reduce costs and ensure safety within the overall funding constraints established by the Budget Control Act.” In addition, pursuant to a congressional mandate, the National Academy of Sciences is reviewing the Department’s updated site specific risk assessment for the selected site for the NBAF, with results due in June 2012. The Committee looks forward to the results of both of these studies.

UNIVERSITY PROGRAMS

The Committee recommendation includes \$40,000,000 for University Programs, as requested.

The Department of Homeland Security may benefit from a broader research effort that could bring a more diverse perspective on the development of new technologies to address the many challenges faced by the Department in enhancing our Nations’ security. Other Federal agencies have a broader based research effort underway called EPSCoR, the Experimental Program to Stimulate Competitive Research, which was initiated by the National Science Foundation and has since grown to include other Federal agencies. The Committee directs the Department to evaluate if an EPSCoR program would be of value to DHS.

DOMESTIC NUCLEAR DETECTION OFFICE

SUMMARY

The Domestic Nuclear Detection Office [DNDO] is responsible for development of technologies to detect and report attempts to import, possess, store, develop, or transport nuclear and radiological material.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$327,977,000 for activities of DNDO for fiscal year 2013. The recommendation is an increase of \$37,977,000 above the fiscal year 2012 level and the same level as proposed in the budget request.

The following table summarizes the Committee’s recommendations as compared to the fiscal year 2012 and budget request levels:

DOMESTIC NUCLEAR DETECTION OFFICE

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Management and Administration	38,000	39,692	39,692
Research, Development, and Operations	215,000	236,830	236,830
Systems Acquisition	37,000	51,455	51,455
Total, Domestic Nuclear Detection Office	290,000	327,977	327,977

MANAGEMENT AND ADMINISTRATION

Appropriations, 2012	\$38,000,000
Budget estimate, 2013	39,692,000
Committee recommendation	39,692,000

The Management and Administration account funds salaries, benefits, and expenses for DNDO.

COMMITTEE RECOMMENDATIONS

The Committee recommendation includes \$39,692,000 for Management and Administration. The recommendation is an increase of \$1,692,000 above the fiscal year 2012 level and the same level as proposed in the budget request. Of this amount the Committee recommends not to exceed \$2,250 for official reception and representation expenses.

STRATEGIC PLAN OF INVESTMENTS

The Committee includes bill language requiring DNDO to update its strategic plan of investments necessary to implement the Department's responsibilities under the domestic component of the Global Nuclear Detection Architecture. The plan is to:

- identify the various elements of the domestic architecture and the roles and responsibilities of each Departmental entity;
- investments being made in fiscal year 2013 and planned for 2014 to secure pathways into the United States (sea, land, and air);
- investments necessary to close known vulnerabilities and gaps, including associated costs and timeframes, and estimates of feasibility and cost effectiveness; and
- how R&D funding is furthering the implementation of the domestic architecture.

While the strategic plan of investments is to cover the Department's implementation responsibilities, it shall include a section on DNDO's focus on surge capabilities and the ability of Federal, State, and local level assets to be mobilized together to respond to suspected radiological threats.

RESEARCH, DEVELOPMENT, AND OPERATIONS

Appropriations, 2012	\$215,000,000
Budget estimate, 2013	236,830,000
Committee recommendation	236,830,000

The Research, Development and Operations account funds the development of nuclear detection systems and the integration and advancement of national nuclear forensics capabilities.

COMMITTEE RECOMMENDATIONS

The Committee recommendation includes \$236,830,000 for Research, Development and Operations. The recommendation is an increase of \$21,830,000 above the fiscal year 2012 level and the same level as proposed in the budget request.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

RESEARCH, DEVELOPMENT, AND OPERATIONS
[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Systems Engineering and Architecture	30,000	30,091	30,091
Systems Development	51,000	28,401	28,401
Transformational Research and Development	40,000	83,897	83,897
Assessments	38,000	33,198	33,198
Operations Support	33,000	35,679	35,679
National Technical Nuclear Forensics Center	23,000	25,564	25,564
Total, Research, Development, and Operations	215,000	236,830	236,830

SEMIANNUAL BRIEFINGS

DNDO shall continue semi-annual briefings on program updates and provide periodic updates on any new threats, research, and studies and assessments related to the Global Nuclear Detection Architecture [GNDA]. Semiannual program briefings shall also cover emergent technology solutions being explored by DNDO, such as the human portable tripwire program; cargo scanning technologies for air, land, and sea ports of entry; long-range detection; small vessel standoff detection; and related programs. Briefings shall include available test and evaluation results and progress made to promote industry development of nuclear detection equipment solutions.

PVT IMPROVEMENTS

In fiscal year 2010, Congress appropriated \$5,000,000 for DNDO to improve operations and capabilities of currently deployed polyvinyl toluene [PVT] radiation portal monitors and handheld radiation detectors, and to deploy any improvements to the field. The Committee is aware of progress made by DNDO in this area, such as a capability development plan. Further progress is expected in fiscal year 2012, such as the completion of a trade study, including energy window optimization. DNDO is to provide a copy of the final trade study once it is completed and brief the Committee on PVT improvements no later than 90 days after the date of enactment of this act.

RAIL DETECTION SOLUTIONS

The Committee notes that DNDO did not request systems development funding for international rail and on-dock rail detection solutions in fiscal year 2013 due to a constrained budget and what is described as higher priority initiatives to support the GNDA. The Committee understands DNDO will complete testing to validate solution capabilities in fiscal year 2012. DNDO shall brief the Committee on the results of this testing no later than 30 days after the date of enactment of this act. If the results of this testing prove successful and result in a priority shift in funding needs to support the GNDA, the Committee directs DNDO to maintain the possibility of restarting these efforts with funding provided for Systems Development.

TEST AND EVALUATION

The Committee encourages DNDO to test new radiation detection technologies that the commercial sector may offer, such as those that have the potential to detect shielded and unshielded nuclear materials like advanced radiography and muon tomography. DNDO is to provide a report to the Committee no later than 120 days after the date of enactment of this act on the status of systems being researched, under development, or being tested to improve the Nation's ability to prevent shielded and unshielded special nuclear material from entering the United States.

SYSTEMS ACQUISITION

Appropriations, 2012	\$37,000,000
Budget estimate, 2013	51,455,000
Committee recommendation	51,455,000

The Systems Acquisition account funds the acquisition of equipment for front line users across the Department.

COMMITTEE RECOMMENDATIONS

The Committee recommendation includes \$51,455,000 for Systems Acquisition. The recommendation is an increase of \$14,455,000 above the fiscal year 2012 level and the same level as proposed in the budget request.

The following table summarizes the Committee's recommendations as compared to the fiscal year 2012 and budget request levels:

SYSTEMS ACQUISITION

[In thousands of dollars]

	Fiscal year 2012 enacted	Fiscal year 2013 budget request	Committee recommendations
Radiation Portal Monitor Program	7,000	1,355	1,355
Securing the Cities	22,000	22,000	22,000
Human Portable Radiation Detection Systems	8,000	28,100	28,100
Total, Systems Acquisition	37,000	51,455	51,455

RADIATION PORTAL MONITORS

The Committee recommendation includes \$1,355,000 for the Radiation Portal Monitor program, as requested. Funds are provided to acquire and deploy a limited number of fixed systems to airports with heavy volumes of international air cargo. DNDO is to keep the Committee apprised of ongoing development and testing of systems capable of screening high volumes of air cargo for nuclear threats.

SECURING THE CITIES

The Committee recommendation includes \$22,000,000 for Securing the Cities [STC], as requested. Of this amount, \$12,000,000 is to continue efforts in New York City and \$10,000,000 is to initiate the establishment of a STC program in another major U.S. city, as requested. Prior to obligating funds for a new city, DNDO is to brief the Committee on its plans.

HUMAN PORTABLE RADIATION DETECTION SYSTEMS

The Committee recommendation includes \$28,100,000 for the Handheld Portable Radiation Detection Systems program, the same level as the budget request and \$20,100,000 above the fiscal year 2012 appropriation to support CBP, TSA, the Coast Guard, and other emergency response officials. Because new systems offer greater accuracy in radiation detection, are easier to use and less expensive to maintain, the Committee encourages DNDO to pursue an aggressive schedule, through competitive means. Within the current fiscal constraints, the Committee encourages DNDO to re-capitalize CBP's existing radioisotope identification devices, while continuing to support the procurement of handheld devices for TSA and USCG and address other vulnerabilities in the GNDA, and to provide the Committee with a multiyear procurement forecast and deployment schedule by no later than February 5, 2013.

TITLE V
GENERAL PROVISIONS

(INCLUDING RESCISSIONS OF FUNDS)

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

Section 502. The bill includes a provision that unexpended balances of prior appropriations may be merged with new appropriations accounts and used for the same purpose, subject to reprogramming guidelines.

Section 503. The bill includes a provision that provides authority to reprogram appropriations within an account and to transfer up to 5 percent between appropriations accounts with 15-day advance notification of the Committees on Appropriations. A detailed funding table identifying each congressional control level for reprogramming purposes is included at the end of this statement. These reprogramming guidelines shall be complied with by all departmental components funded by this act.

The Committee expects the Department to submit reprogramming requests on a timely basis, and to 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 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) levels for the current fiscal year and to the levels required for the following fiscal year. The Committee continues to be disappointed by the quality, level of detail, and timeliness of the Department's proposed reprogrammings.

The Committee expects the Department to manage its programs and activities within the levels appropriated. The Committee reminds the Department that reprogramming or transfer requests should be submitted only 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 unapproved.

The Department shall not propose a reprogramming or transfer of funds after June 30 unless there are extraordinary circumstances, which place human lives or property in imminent dan-

ger. To the extent any reprogramming proposals are required, the Department is strongly encouraged to submit them well in advance of the June 30 deadline.

Section 504. The bill includes a provision relating to the Department's Working Capital Fund [WCF] that: extends the authority of the Department's WCF in fiscal year 2013; prohibits funds appropriated or otherwise made available to the Department from being used to make payments to the WCF, except for the activities and amounts allowed in the President's fiscal year 2013 budget; makes WCF funds available until expended; ensures departmental components are only charged for direct usage of each WCF service; makes funds provided to the WCF available only for purposes consistent with the contributing component; requires the WCF to be paid in advance or reimbursed at rates which will return the full cost of each service; and subjects the WCF to the requirements of section 503 of this act. The WCF table included in the Department's congressional justification accompanying the President's fiscal year 2013 budget shall serve as the control level for reprogramming and transfer purposes in compliance with section 503 of this act.

Section 505. The bill includes a provision 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 reprogramming.

Section 506. The bill includes a provision providing that funds for intelligence activities are specifically authorized during fiscal year 2013 until the enactment of an act authorizing intelligence activities for fiscal year 2013.

Section 507. The bill includes a provision requiring notification to the Committees 3 business days before any grant allocation, grant award, contract award (including Federal Acquisition Regulation-covered contracts), other transaction agreement, a task or delivery order on a DHS multiple award contract, letter of intent, or public announcement of the intention to make such an award totaling in excess of \$1,000,000. If the Secretary determines that compliance would pose substantial risk to health, human life, or safety, an award may be made without prior notification but the Committees shall be notified within 5 full business days after such award or letter is issued. Additionally, FEMA is required to brief the Committees 5 full business days prior to announcing publicly the intention to make an award under State and local programs. The 3-day notification also pertains to task or delivery order awards greater than \$10,000,000 from multiyear DHS funds or a task or delivery order that would cause cumulative obligations of multiyear funds in a single account to exceed 50 percent of the total amount appropriated.

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

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

funds that may be required for development of a proposed prospectus.

Section 510. The bill includes a provision that consolidates, continues, and modifies by reference prior-year statutory bill language into one provision. These provisions concern contracting officers' training and Federal building energy performance. The provision strikes a permanent requirement for a report related to Sensitive Security Information.

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

Section 512. The bill includes a provision prohibiting any person other than the privacy officer appointed under subsection (a) of section 222 of the Homeland Security Act of 2002 to alter, direct that changes may be made, delay, or prohibit the transmission to Congress of any report prepared under paragraph (6) of such subsection.

Section 513. The bill includes a provision prohibiting funds to be used to amend the oath of allegiance required by section 337 of the Immigration and Nationality Act (8 U.S.C. 1448).

Section 514. The bill includes 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 bill includes a provision regarding competitive sourcing for United States Citizenship and Immigration Services.

Section 516. The bill includes a provision requiring any funds appropriated to Coast Guard for 110–123 foot patrol boat conversions 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 bill includes a provision relating to undercover investigative operations authority of the Secret Service.

Section 518. The bill includes a provision classifying the functions of instructor staff at FLETC as inherently governmental for purposes of the Federal Activities Inventory Reform Act of 1998.

Section 519. The bill includes a provision prohibiting the obligation of funds appropriated to the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management, or the Office of the Chief Financial Officer for grants or contracts awarded by any means other than full and open competition. Certain exceptions apply. This provision does not require new competitions of existing contracts during their current terms. The OIG is required to review Departmental contracts awarded noncompetitively every 3 years with the next report due on February 4, 2015.

Section 520. The bill includes 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 of the Department, subject to section 503 of this act.

Section 521. The bill includes a provision prohibiting the Secretary of Homeland Security from reducing operations within the Coast Guard's Civil Engineering Program except as specifically authorized by a statute enacted after the date of enactment of this act.

Section 522. The bill includes a provision prohibiting funding to grant an immigration benefit to any individual unless the results of background checks required by statute to be completed prior to the grant of a benefit have been received by DHS.

Section 523. The bill includes a provision extending other transactional authority for DHS through fiscal year 2013.

Section 524. The bill includes a provision requiring the Secretary to link all contracts that provide award fees to successful acquisition outcomes.

Section 525. The bill includes a provision regarding waivers of the Jones Act.

Section 526. The bill includes a provision prohibiting the obligation of funds for the Office of the Secretary and Executive Management for any new hires that are not verified through the E-Verify Program.

Section 527. The bill includes a provision prohibiting funds from being used to reduce the Coast Guard's Operations Systems Center mission or its Government-employed or contract staff.

Section 528. The bill includes a provision contained in Public Laws 109-295, 110-161, 110-329, 111-83, 112-10, and 112-74 related to prescription drugs.

Section 529. The bill includes a provision prohibiting funds to be used to conduct or implement the results of a competition under Office of Management and Budget Circular A-76 with respect to the Coast Guard National Vessel Documentation Center.

Section 530. The bill includes a provision requiring the Secretary of Homeland Security, in conjunction with the Secretary of the Treasury, to notify the Committees on proposed transfers of surplus balances from the Department of the Treasury Forfeiture Fund to any agency within the Department of Homeland Security.

The Committee notes that the Fund is comprised of assets forfeited to the Federal Government as the result of law enforcement investigations and operations conducted primarily by agencies of the Department of the Treasury and DHS. The President's budget proposes to rescind \$830,000,000 of the Fund and gives the credit to agencies under the jurisdiction of the Financial Services and General Government Appropriations Subcommittee. Approximately one-third of the Forfeiture Fund balance proposed for rescission is the result of DHS law enforcement activities. The Committee directs the President, if he proposes to rescind Treasury Forfeiture Funds in his fiscal year 2014 budget, to divide the funds equitably between the two Departments based upon their contributions to the Fund.

Section 531. The bill includes a provision prohibiting funds from being used to plan, test, pilot, or develop a national identification card.

Section 532. The bill includes a provision requiring a report summarizing damage assessment information used to determine whether to declare a major disaster.

Section 533. The bill includes a provision directing that any official required by this act to report or certify to the Committees on Appropriations may not delegate such authority unless expressly authorized to do so in this act.

Section 534. The bill includes a provision extending the risk-based security standards for chemical facilities cited in section 550 of Public Law 109–295, as amended, for 1 year.

Section 535. The bill includes a provision extending current law concerning individuals detained at the Naval Station, Guantánamo Bay, Cuba.

Section 536. The bill includes a provision prohibiting funds in this act to be used for first-class travel.

Section 537. The bill includes a provision permanently prohibiting funds 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 538. The bill includes a provision prohibiting funds to be used to employ workers in contravention of section 274A(h)(3) of the Immigration and Nationality Act.

Section 539. The bill includes a provision on the proper disposal of personal information collected through the Registered Traveler program.

Section 540. The bill includes 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 541. The bill includes language that requires certification that the 100 percent screening of air cargo carried on passenger aircraft mandate contained in the 9/11 Act has been met and biannual reports on the strategy to meet this mandate if certification does not occur 180 days after the date of enactment of this act.

Section 542. The bill includes language that requires the Secretary to ensure screening of passengers and crews for transportation and national security purposes are consistent with applicable laws, regulations, and guidance on privacy and civil liberties.

Section 543. A provision is included directing \$5,000,000 in Immigration Examination Fees for the purpose of providing immigrant integration grants in fiscal year 2013.

Section 544. A provision is included that provides an additional amount of \$7,500,000 for the Federal Emergency Management Agency “State and Local Programs” to reimburse costs incurred by State and local governments affected by National Special Security Events, including use of services, personnel, equipment, and facilities. The Federal Emergency Management Agency shall brief the Committees on Appropriations within 30 days of the date of enactment of this act regarding the process to distribute this funding, including the application process and eligible costs. Funds shall remain available until September 30, 2014, and are not subject to any legislated timeframes required under “State and Local Programs”.

Section 545. The bill includes a provision providing some flexibility to the Department for financing a response to an immigration emergency.

Section 546. The bill includes a provision prohibiting funds appropriated or otherwise made available by this act for DHS to enter into a Federal contract unless the contract meets requirements of

the Federal Property and Administrative Services Act of 1949 or chapter 137 of title 10 U.S.C., and the Federal Acquisition Regulation, unless the contract is otherwise authorized by statute without regard to this section.

Section 547. The bill includes a provision allowing the Secretary to transfer data center migration funds made available by this act between appropriations for the same purpose after notifying the Committees 15 days in advance. The bill provides an additional \$64,797,000 for data center migration activities to be allocated by the Secretary pursuant to this section.

Section 548. The bill includes a provision permitting the Department to sell ICE-owned detention facilities and use the proceeds from any sale for improvement to other facilities provided that any such sale will not result in the maintenance of less than 33,400 detention beds. ICE is required to notify the Committees on Appropriations 15 days prior to announcing any sale.

Section 549. The bill includes language that provides a total of \$89,000,000 for expenses related to the consolidation of the new DHS headquarters and mission support activities.

Section 550. The Committee, in recognition of on-going fiscal distress in local communities, provides the Secretary with discretion to waive certain requirements of the Federal Fire Prevention and Control Act of 1974, including a provision which allows grants to be used to retain firefighters, instead of only for increasing the number of firefighters. The Committee expects that the Secretary will take into consideration economic hardship when exercising the waiver authority.

Section 551. The bill includes language directing CBP and ICE to submit a multiyear investment and management plan for all information technology programs and procurements.

Section 552. The bill includes language stating that the Secretary shall ensure enforcement of all immigration laws.

Section 553. The bill includes language authorizing an increase to aviation security passenger fees for fiscal year 2013.

Section 554. The bill includes language extending the authorization of four immigration programs—the E-Verify, EB-5, Special Immigrant Nonminister Religious Worker, and Conrad State 30 J-1 Visa Waiver programs—for an additional 2 years. These programs each were extended for a 3-year period expiring September 30, 2012, in the fiscal year 2010 Department of Homeland Security Appropriations Act (Public Law 111-83). Approximately 17,400,000 new hires were processed through E-Verify in fiscal year 2011 and the program continues to grow by approximately 1,000 new employers per week. Since its inception in 1990 through December 30, 2011, USCIS estimates that a minimum of 43,280 jobs have been created and more than \$2,200,000,000 has been invested through the EB-5 program. Since fiscal year 2010, more than 1,900 nonminister immigrant worker visas have been approved. Under the Conrad 30 rural nurses and doctors program, up to 1,500 visas may be granted to medical professionals committing to working in rural communities.

Section 555. The bill includes a provision requested in the budget authorizing CBP to enter into reimbursable fee agreements for the provision of CBP services and any other costs incurred by CBP re-

lating to such services. Current statutory limitations on CBP's authority to receive outside funding, except in narrowly defined instances, have prevented CBP from receiving reimbursement from private sector and international, State, and local partners. Funds collected pursuant to this section shall be deposited in the U.S. Customs and Border Protection "Salaries and Expenses" account as offsetting collections and remain available until expended, without fiscal year limitation. They can be used to pay for any expenses incurred by CBP in providing CBP services and any other costs incurred by CBP relating to such services.

The Committee expects this provision to be used on a limited basis, noting that when it is exercised, CBP should deduct user fees collected from the total amount charged for services so not to be compensated twice per inspection. CBP shall provide semiannual reports to the Committee on each request received, the reasons for its approval or denial, the anticipated and actual revenue received, and the service provided, including number of CBP officers funded. Language is included prohibiting the CBP Commissioner from entering into an agreement if it would negatively impact or alter services at an existing facility.

Section 556. The bill includes a provision requiring the Secretary to submit reports to the DHS OIG on costs and contract procedures related to conferences costing in excess of \$20,000.

Section 557. The bill includes language regarding the number of employees permitted to attend international conferences.

Section 558. The bill includes a provision withholding 59 percent of funds available 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 until all statutorily required expenditure plans, investment plans, and acquisition plans are submitted to the Committees.

Section 559. The bill includes a provision authorizing collection of a \$30 fee for all diversity visa lottery applications. In order to address any issues regarding possible fraud within the diversity visa lottery program, the Department of State, in consultation with DHS, is directed to report to the Committees no later than 90 days after the date of enactment of this act on the steps being taken to implement the recommendations of GAO report (GAO-07-1174). This recommendation facilitates immigration enforcement efforts, including detention beds, investigations, and costs related to removal of aliens.

Section 560. The bill includes a provision related to community disaster loans.

Section 561. The bill includes a provision creating a Department of Homeland Security Forfeiture Fund effective in fiscal year 2014. The Committee assumes that the Treasury Forfeiture Fund process will continue under current law and procedures during fiscal year 2013.

Section 562. The bill includes a provision modifying the Visa Waiver Program to permit the entry of additional member countries based on adjusting the criteria for visa refusal rates if a country has a low visa overstay rate while maintaining the security requirements of the Visa Waiver Program. The waiver authority shall remain in effect until September 30, 2014.

Section 563. The bill includes a provision regarding the transfer of an operable firearm by a Federal law enforcement officer to an agent of a drug cartel.

Section 564. The bill includes a provision regarding an OIG review and arbitration of disaster assistance.

Section 565. The bill includes a provision rescinding unobligated balances of prior year appropriations in multiple appropriations across the Department. This amount includes \$59,000,000 from Coast Guard prior year balances, of which \$25,000,000 is from post-production costs for the 4th National Security Cutter and \$20,000,000 is from post-production costs for the 5th National Security Cutter. The Coast Guard cannot make use of these funds before they expire. The remaining \$14,000,000 is from funding for systems engineering and integration activities. As the Coast Guard assumed control of the lead systems integrator role for asset recapitalization, these funds are no longer necessary. A total of \$92,000,000 is rescinded from funds made available in Public Law 112-10 and Public Law 112-74 for "Border Security Fencing, Infrastructure, and Technology".

Section 566. The bill includes a \$12,000,000 rescission of the unobligated prior year balances available for FEMA "National Predisaster Mitigation Fund".

Section 567. The bill includes rescissions of prior year balances from funds transferred to the Department when it was created in 2003.

PROGRAM, PROJECT, AND ACTIVITY

In fiscal year 2013, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, the following information provides the definition of the term “program, project, and activity” for the components of the Department of Homeland Security under the jurisdiction of the Homeland Security Subcommittee of the Committee on Appropriations. The term “program, project, and activity” shall include the most specific level of budget items identified in the Department of Homeland Security Appropriations Act, 2013, the House and Senate Committee reports, and the conference report and accompanying joint explanatory statement of the managers of the committee of conference.

If a percentage reduction is necessary, in implementing that reduction, components of the Department of Homeland Security shall apply any percentage reduction required for fiscal year 2013 to all items specified in the justifications submitted to the Committees on Appropriations of the Senate and the House of Representatives in support of the fiscal year 2013 budget estimates, as amended, for such components, as modified by congressional action.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports accompanying general appropriations bills identify each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

The Committee is filing an original bill, which is not covered under this rule, but reports this information in the spirit of full disclosure.

The Committee recommends funding for the following programs or activities which currently lack authorization for fiscal year 2013:

U.S. Customs and Border Protection: Salaries and Expenses; Automation Modernization; Border Security Fencing, Infrastructure, and Technology; Air and Marine Interdiction, Operations, Maintenance, and Procurement; Construction and Facilities Management; and U.S. Visitor and Immigrant Status Indicator Technology;

U.S. Immigration and Customs Enforcement: Salaries and Expenses; and Automation Modernization; and Construction;

Transportation Security Administration: Aviation Security; Surface Transportation Security; Transportation Threat Assessment and Credentialing; Transportation Security Support; and Federal Air Marshals;

Coast Guard: Operating Expenses; Environmental Compliance and Restoration; Reserve Training; Acquisition, Construction, and Improvements; Research, Development, Test, and Evaluation; and Retired Pay;

United States Secret Service: Salaries and Expenses; and Acquisition, Construction, Improvements, and Related Expenses;

National Protection and Programs Directorate: Management and Administration;

Office of Health Affairs;

Federal Emergency Management Agency: Salaries and Expenses; State and Local Programs; Disaster Relief; Flood Hazard Mapping and Risk Analysis; Firefighter Assistance Grants; National Flood Insurance Fund; and Emergency Food and Shelter; and

United States Citizenship and Immigration Services.

COMPLIANCE WITH PARAGRAPH 7(c), RULE XXVI OF THE
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on May 22, 2012, the Committee ordered reported the bill (S. 3216), making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2013, and for other purposes, subject to amendment, by a recorded vote of 27-3, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Inouye	Mrs. Hutchison
Mr. Leahy	Mr. Moran
Mr. Harkin	Mr. Johnson (WI)
Ms. Mikulski	
Mr. Kohl	
Mrs. Murray	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson (SD)	
Ms. Landrieu	
Mr. Reed	
Mr. Lautenberg	
Mr. Nelson	
Mr. Pryor	
Mr. Tester	
Mr. Brown	
Mr. Cochran	
Mr. McConnell	
Mr. Shelby	
Mr. Alexander	
Ms. Collins	
Ms. Murkowski	
Mr. Graham	
Mr. Kirk	
Mr. Coats	
Mr. Blunt	
Mr. Hoeven	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, changes in existing law proposed to be made by the bill are shown as follows: existing law 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.

TITLE 6—DOMESTIC SECURITY

CHAPTER 1—HOMELAND SECURITY ORGANIZATION

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

PART D—ACQUISITIONS

§ 391. Research and development projects

(a) Authority

【Until September 30, 2012,】 *Until 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:

* * * * *

(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—

TITLE 8—ALIENS AND NATIONALITY

CHAPTER 12—IMMIGRATION AND NATIONALITY

SUBCHAPTER II—IMMIGRATION

PART I—SELECTION SYSTEM

§ 1154. Procedure for granting immigrant status

(a) Petitioning procedure

(1)(A)(i) Except as provided in clause (viii), any citizen of the United States claiming that an alien is entitled to classification by reason of a relationship described in paragraph (1), (3), or (4) of section 1153(a) of this title or to an immediate relative status under section 1151(b)(2)(A)(i) of this title may file a petition with the Attorney General for such classification.

(ii) An alien spouse described in the second sentence of section 1151(b)(2)(A)(i) of this title also may file a petition with the Attorney General under this subparagraph for classification of the alien (and the alien's children) under such section.

(iii)(I) An alien who is described in subclause (II) may file a petition with the Attorney General under this clause for classification of the alien (and any child of the alien) if the alien demonstrates to the Attorney General that—

(aa) the marriage or the intent to marry the United States citizen was entered into in good faith by the alien; and

(bb) during the marriage or relationship intended by the alien to be legally a marriage, the alien or a child of the alien has been battered or has been the subject of extreme cruelty perpetrated by the alien's spouse or intended spouse.

(iv) *Each petition filed under this subparagraph shall be accompanied by a fee equal to \$30. All amounts collected under this clause shall be covered into the Treasury as miscellaneous receipts.*

* * * * *

PART II—ADMISSION QUALIFICATIONS FOR ALIENS; TRAVEL CONTROL OF CITIZENS AND ALIENS

§ 1187. Visa waiver program for certain visitors

(a) Establishment of program

The [Attorney General] *Secretary of Homeland Security* and the Secretary of State are authorized to establish a program (hereinafter in this section referred to as the “program”) under which the requirement of paragraph (7)(B)(i)(II) of section 1182(a) of this title may be waived by the [Attorney General] *Secretary of Homeland Security*, in consultation with the Secretary of State and in accordance with this section, in the case of an alien who meets the following requirements:

* * * * *

(1) Seeking entry as tourist for 90 days or less

* * * * *

(4) Executes immigration forms

The alien before the time of such admission completes such immigration form as the [Attorney General] *Secretary of Homeland Security* shall establish.

(5) Entry into the United States

If arriving by sea or air, the alien arrives at the port of entry into the United States on a carrier, including any carrier conducting operations under part 135 of title 14, Code of Federal Regulations, or a noncommercial aircraft that is owned or operated by a domestic corporation conducting operations under part 91 of title 14, Code of Federal Regulations¹ which has entered into an agreement with the [Attorney General] *Secretary of Homeland Security* pursuant to subsection (e) of this section. The [Attorney General] *Secretary of Homeland Security* is authorized to require a carrier conducting operations under part 135 of title 14, Code of Federal Regulations, or a domestic corporation conducting operations under part 91 of that title, to give suitable and proper bond, in such reasonable amount and containing such conditions as the [Attorney General] *Secretary of Homeland Security* may deem sufficient

¹ So in original. Probably should be followed by a comma.

to ensure compliance with the indemnification requirements of this section, as a term of such an agreement.

* * * * *

(8) Round-trip ticket

The alien is in possession of a round-trip transportation ticket (unless this requirement is waived by the [Attorney General] *Secretary of Homeland Security* under regulations or the alien is arriving at the port of entry on an aircraft operated under part 135 of title 14, Code of Federal Regulations, or a noncommercial aircraft that is owned or operated by a domestic corporation conducting operations under part 91 of title 14, Code of Federal Regulations).

* * * * *

(10) Electronic transmission of identification information

Operators of aircraft under part 135 of title 14, Code of Federal Regulations, or operators of noncommercial aircraft that are owned or operated by a domestic corporation conducting operations under part 91 of title 14, Code of Federal Regulations, carrying any alien passenger who will apply for admission under this section shall furnish such information as the [Attorney General] *Secretary of Homeland Security* by regulation shall prescribe as necessary for the identification of any alien passenger being transported and for the enforcement of the immigration laws. Such information shall be electronically transmitted not less than one hour prior to arrival at the port of entry for purposes of checking for inadmissibility using the automated electronic database.

(c) Designation of program countries

[(1) In general

[The [Attorney General] *Secretary of Homeland Security*, in consultation with the Secretary of State, may designate any country as a program country if it meets the requirements of paragraph (2).]

(1) *AUTHORITY TO DESIGNATE; DEFINITIONS.*—

(A) *AUTHORITY TO DESIGNATE.*—*The Secretary of Homeland Security, in consultation with the Secretary of State, may designate any country as a program country if that country meets the requirements under paragraph (2).*

(B) *DEFINITIONS.*—*In this subsection:*

(i) *Appropriate congressional committees.*—*The term “appropriate congressional committees” means—*

(I) the Committee on Foreign Relations, the Committee on Homeland Security and Governmental Affairs, and the Committee on the Judiciary of the Senate; and

(II) the Committee on Foreign Affairs, the Committee on Homeland Security, and the Committee on the Judiciary of the House of Representatives.

(ii) *OVERSTAY RATE.*—

(I) *INITIAL DESIGNATION.*—The term “overstay rate” means, with respect to a country being considered for designation in the program, the ratio of—

(aa) the number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during a fiscal year but who remained unlawfully in the United States beyond such periods; to

(bb) the number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during that fiscal year.

(II) *CONTINUING DESIGNATION.*—The term “overstay rate” means, for each fiscal year after initial designation under this section with respect to a country, the ratio of—

(aa) the number of nationals of that country who were admitted to the United States under this section or on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during a fiscal year but who remained unlawfully in the United States beyond such periods; to

(bb) the number of nationals of that country who were admitted to the United States under this section or on the basis of a nonimmigrant visa under section 101(a)(15)(B) whose periods of authorized stay ended during that fiscal year.

(III) *COMPUTATION OF OVERSTAY RATE.*—In determining the over stay rate for a country, the Secretary of Homeland Security may utilize information from any available databases to ensure the accuracy of such rate.

(iii) *PROGRAM COUNTRY.*—The term “program country” means a country designated as a program country under subparagraph (A).

[(2) Qualifications

Except as provided in subsection (f) of this section, a country may not be designated as a program country unless the following requirements are met:

[(A) Low nonimmigrant visa refusal rate

Either—

[(i) the average number of refusals of nonimmigrant visitor visas for nationals of that country during—

[(I) the two previous full fiscal years was less than 2.0 percent of the total number of non-

immigrant visitor visas for nationals of that country which were granted or refused during those years; and

[(II) either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year;

[(ii) such refusal rate for nationals of that country during the previous full fiscal year was less than 3.0 percent.]

(A) *GENERAL NUMERICAL LIMITATIONS.*—

(i) *LOW NONIMMIGRANT VISA REFUSAL RATE.*—*The percentage of nationals of that country refused nonimmigrant visas under section 101(a)(15)(B) during the previous full fiscal year was not more than 3 percent of the total number of nationals of that country who were granted or refused nonimmigrant visas under such section during such year.*

(ii) *LOW NONIMMIGRANT OVERSTAY RATE.*—*The overstay rate for that country was not more than 3 percent during the previous fiscal year.*

* * * * *

[(C) Law enforcement and security interests

[(The [Attorney General] *Secretary of Homeland Security*, in consultation with the Secretary of State—

[(i) evaluates the effect that the country's designation would have on the law enforcement and security interests of the United States (including the interest in enforcement of the immigration laws of the United States and the existence and effectiveness of its agreements and procedures for extraditing to the United States individuals, including its own nationals, who commit crimes that violate United States law);

[(ii) determines that such interests would not be compromised by the designation of the country; and

[(iii) submits a written report to the [Committee on the Judiciary and the Committee on International Relations of the House of Representatives and the Committee on the Judiciary and the Committee on Foreign Relations of the Senate] *appropriate congressional committees* regarding the country's qualification for designation that includes an explanation of such determination.]

* * * * *

[(3) Continuing and subsequent qualifications

[(For each fiscal year after the initial period—

[(A) Continuing qualification

[(In the case of a country which was a program country in the previous fiscal year, a country may not be designated as a programcountry unless the sum of—

[(i) the total of the number of nationals of that country who were denied admission at the time of arrival or withdrew their application for admission during such previous fiscal year as a nonimmigrant visitor, and

[(ii) the total number of nationals of that country who were admitted as nonimmigrant visitors during such previous fiscal year and who violated the terms of such admission, was less than 2 percent of the total number of nationals of that country who applied for admission as nonimmigrant visitors during such previous fiscal year.

[(B) New countries

[In the case of another country, the country may not be designated as a program country unless the following requirements are met:

[(i) Low nonimmigrant visa refusal rate in previous 2-year period

[The average number of refusals of nonimmigrant visitor visas for nationals of that country during the two previous full fiscal years was less than 2 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during those years.

[(ii) Low nonimmigrant visa refusal rate in each of the 2 previous years The average number of refusals of nonimmigrant visitor visas for nationals of that country during either of such two previous full fiscal years was less than 2.5 percent of the total number of nonimmigrant visitor visas for nationals of that country which were granted or refused during that year.]

(3) *QUALIFICATION CRITERIA.—After the initial period, a country may not be designated as a program country unless the Secretary of Homeland Security, in consultation with the Secretary of State, determines, pursuant to the requirements under paragraph (5), that the designation will be continued.*

* * * * *

(5) Written reports on continuing qualification; designation terminations

(A) Periodic evaluations

(i) In general

* * * * *

(I) * * *

[(II) shall determine, based upon the evaluation in subclause (I), whether any such designation ought to be continued or terminated under subsection (d) of this section;]

(II) shall determine, based upon the evaluation in subclause (I), whether any such designation under subsection (d) or (f), or probation under subsection (f), ought to be continued or terminated;

(III) shall submit a written report to the [Committee on the Judiciary, the Committee on Foreign Affairs, and the Committee on Homeland Security, of the House of Representatives and the Committee on the Judiciary, the Committee on Foreign Relations, and the Committee on Homeland Security and Governmental Affairs of the Senate] *appropriate congressional committees* regarding the continuation or termination of the country's designation that includes an explanation of such determination and the effects described in subclause (I); and

* * * * *

[(6) Computation of visa refusal rates

[For purposes of determining the eligibility of a country to be designated as a program country, the calculation of visa refusal rates shall not include any visa refusals which incorporate any procedures based on, or are otherwise based on, race, sex, or disability, unless otherwise specifically authorized by law or regulation. No court shall have jurisdiction under this paragraph to review any visa refusal, the denial of admission to the United States of any alien by the [Attorney General] *Secretary of Homeland Security*, the Secretary's computation of the visa refusal rate, or the designation or nondesignation of any country.]

(6) *COMPUTATION OF VISA REFUSAL RATES AND JUDICIAL REVIEW.*—

(A) *Computation of visa refusal rates.*—*For purposes of determining the eligibility of a country to be designated as a program country, the calculation of visa refusal rates shall not include any visa refusals which incorporate any procedures based on, or are otherwise based on, race, sex, or disability, unless otherwise specifically authorized by law or regulation.*

(B) *JUDICIAL REVIEW.*—*No court shall have jurisdiction under this section to review any visa refusal, the Secretary of State's computation of a visa refusal rate, the Secretary of Homeland Security's computation of an overstay rate, or the designation or nondesignation of a country as a program country.*

(7) **Visa [waiver information] *waiver information*.**—In refusing

[(A) In general]

[In refusing] the application of nationals of a program country for United States visas, or the applications of nationals of a country seeking entry into the visa waiver program, a consular officer shall not knowingly or intentionally classify the refusal of the visa under a category that is not included in the calculation of the visa refusal rate only so that the percentage of that country's visa re-

fusals is less than the percentage limitation applicable to qualification for participation in the visa waiver program.

* * * * *

[(D) Consideration of countries in the visa waiver program]

Upon notification to the [Attorney General] *Secretary of Homeland Security* that a country is under consideration for inclusion in the visa waiver program, the Secretary of State shall provide all of the information described in subparagraph (B) to the [Attorney General] *Secretary of Homeland Security*.

[(E) Definition]

In this paragraph, the term “appropriate congressional committees” means the Committee on the Judiciary and the Committee on Foreign Relations of the Senate and the Committee on the Judiciary and the Committee on International Relations of the House of Representatives.]

[(8) Nonimmigrant visa refusal rate flexibility]

[(A) Certification]

[(i) In general]

On the date on which an air exit system is in place that can verify the departure of not less than 97 percent of foreign nationals who exit through airports of the United States and the electronic travel authorization system required under subsection (h)(3) is fully operational, the Secretary of Homeland Security shall certify to Congress that such air exit system and electronic travel authorization system are in place.

[(ii) Notification to Congress]

The Secretary shall notify Congress in writing of the date on which the air exit system under clause (i) fully satisfies the biometric requirements specified in subsection (i).

[(iii) Temporary suspension of waiver authority]

Notwithstanding any certification made under clause (i), if the Secretary has not notified Congress in accordance with clause (ii) by June 30, 2009, the Secretary’s waiver authority under subparagraph (B) shall be suspended beginning on July 1, 2009, until such time as the Secretary makes such notification.

[(iv) Rule of construction]

Nothing in this paragraph shall be construed as in any way abrogating the reporting requirements under subsection (i)(3).

[(B) Waiver]

After certification by the Secretary under subparagraph (A), the Secretary, in consultation with the Sec-

retary of State, may waive the application of paragraph (2)(A) for a country if—

[(i) the country meets all security requirements of this section; (ii) the Secretary of Homeland Security determines that the totality of the country's security risk mitigation measures provide assurance that the country's participation in the program would not compromise the law enforcement, security interests, or enforcement of the immigration laws of the United States;

[(ii) the Secretary of Homeland Security determines that the totality of the country's security risk mitigation measures provide assurance that the country's participation in the program would not compromise the law enforcement, security interests, or enforcement of the immigration laws of the United States;

[(iii) there has been a sustained reduction in the rate of refusals for nonimmigrant visas for nationals of the country and conditions exist to continue such reduction;

[(iv) the country cooperated with the Government of the United States on counterterrorism initiatives, information sharing, and preventing terrorist travel before the date of its designation as a program country, and the Secretary of Homeland Security and the Secretary of State determine that such cooperation will continue; and

[(v)(I) the rate of refusals for nonimmigrant visitor visas for nationals of the country during the previous full fiscal year was not more than ten percent; or

[(II) the visa overstay rate for the country for the previous full fiscal year does not exceed the maximum visa overstay rate, once such rate is established under subparagraph (C).

[(C) Maximum visa overstay rate

[(i) Requirement to establish

[(After certification by the Secretary under subparagraph (A), the Secretary and the Secretary of State jointly shall use information from the air exit system referred to in such subparagraph to establish a maximum visa overstay rate for countries participating in the program pursuant to a waiver under subparagraph (B). The Secretary of Homeland Security shall certify to Congress that such rate would not compromise the law enforcement, security interests, or enforcement of the immigration laws of the United States.

[(ii) Visa overstay rate defined In this paragraph the term "visa overstay rate" means, with respect to a country, the ratio of—

[(I) the total number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa whose periods of authorized stays ended during a fiscal year but who remained unlawfully in the United States beyond such periods; to

[(II) the total number of nationals of that country who were admitted to the United States on the basis of a nonimmigrant visa during that fiscal year.

[(iii) Report and publication

【The Secretary of Homeland Security shall on the same date submit to Congress and publish in the Federal Register information relating to the maximum visa overstay rate established under clause (i). Not later than 60 days after such date, the Secretary shall issue a final maximum visa overstay rate above which a country may not participate in the program.】

(8) *WAIVER AUTHORITY.*—*The Secretary of Homeland Security, in consultation with the Secretary of State, may waive the application of paragraph (2)(A)(i) for a country if—*

(A) the country meets all other requirements of paragraph (2);

(B) the Secretary of Homeland Security determines that the totality of the country’s security risk mitigation measures provide assurance that the country’s participation in the program would not compromise the law enforcement, security interests, or enforcement of the immigration laws of the United States;

(C) there has been a general downward trend in the percentage of nationals of the country refused nonimmigrant visas under section 101(a)(15)(B);

(D) the country consistently cooperated with the Government of the United States on counterterrorism initiatives, information sharing, preventing terrorist travel, and extradition of the country’s nationals to the United States before the date of its designation as a program country, and the Secretary of Homeland Security and the Secretary of State assess that such cooperation is likely to continue; and

(E) the percentage of nationals of the country refused a nonimmigrant visa under section 101(a)(15)(B) during the previous full fiscal year was not more than 10 percent of the total number of nationals of that country who were granted or refused such nonimmigrant visas.

* * * * *

(e) Carrier agreements

(1) In general

The agreement referred to in subsection (a)(4) of this section is an agreement between a carrier (including any carrier conducting operations under part 135 of title 14, Code of Fed-

eral Regulations) or a domestic corporation conducting operations under part 91 of that title and the [Attorney General] *Secretary of Homeland Security* under which the carrier (including any carrier conducting operations under part 135 of title 14, Code of Federal Regulations) or a domestic corporation conducting operations under part 91 of that title agrees, in consideration of the waiver of the visa requirement with respect to a nonimmigrant visitor under the program—

(A) * * *

* * * * *

(C) to be subject to the imposition of fines resulting from the transporting into the United States of a national of a designated country without a passport pursuant to regulations promulgated by the [Attorney General] *Secretary of Homeland Security*, and

* * * * *

(2) Termination of agreements

The [Attorney General] *Secretary of Homeland Security* may terminate an agreement under paragraph (1) with five days' notice to the carrier (including any carrier conducting operations under part 135 of title 14, Code of Federal Regulations) or a domestic corporation conducting operations under part 91 of that title for the failure by a carrier (including any carrier conducting operations under part 135 of title 14, Code of Federal Regulations) or a domestic corporation conducting operations under part 91 of that title to meet the terms of such agreement.

(3) Business aircraft requirements

(A) In general

For purposes of this section, a domestic corporation conducting operations under part 91 of title 14, Code of Federal Regulations² that owns or operates a noncommercial aircraft is a corporation that is organized under the laws of any of the States of the United States or the District of Columbia and is accredited by or a member of a national organization that sets business aviation standards. The Attorney General shall prescribe by regulation the provision of such information as the [Attorney General] *Secretary of Homeland Security* deems necessary to identify the domestic corporation, its officers, employees, shareholders, its place of business, and its business activities.

(B) Collections

In addition to any other fee authorized by law, the [Attorney General] *Secretary of Homeland Security* is authorized to charge and collect, on a periodic basis, an amount from each domestic corporation conducting operations under part 91 of title 14, Code of Federal Regulations, for nonimmigrant visa waiver admissions on noncommercial aircraft owned or operated by such domestic

²So in original. Probably should be followed by a comma.

corporation equal to the total amount of fees assessed for issuance of nonimmigrant visa waiver arrival/departure forms at land border ports of entry. All fees collected under this paragraph shall be deposited into the Immigration User Fee Account established under section 1356(h) of this title.

[(f) Duration and termination of designation

[(1) In general

[(A) Determination and notification of disqualification rate

Upon determination by the [Attorney General] *Secretary of Homeland Security* that a program country's disqualification rate is 2 percent or more, the Attorney General shall notify the Secretary of State.

[(B) Probationary status

If the program country's disqualification rate is greater than 2 percent but less than 3.5 percent, the [Attorney General] *Secretary of Homeland Security* shall place the program country in probationary status for a period not to exceed 2 full fiscal years following the year in which the determination under subparagraph (A) is made.

[(C) Termination of designation

Subject to paragraph (3), if the program country's disqualification rate is 3.5 percent or more, the [Attorney General] *Secretary of Homeland Security* shall terminate the country's designation as a program country effective at the beginning of the second fiscal year following the fiscal year in which the determination under subparagraph (A) is made.

[(2) Termination of probationary status

[(A) In general

If the [Attorney General] *Secretary of Homeland Security* determines at the end of the probationary period described in paragraph (1)(B) that the program country placed in probationary status under such paragraph has failed to develop a machine-readable passport program as required by section³ (c)(2)(C) of this section, or has a disqualification rate of 2 percent or more, the [Attorney General] *Secretary of Homeland Security* shall terminate the designation of the country as a program country. If the [Attorney General] *Secretary of Homeland Security* determines that the program country has developed a machine-readable passport program and has a disqualification rate of less than 2 percent, the [Attorney General] *Secretary of Homeland Security* shall redesignate the country as a program country.]

(f) *TERMINATION OF DESIGNATION; PROBATION.*—

(1) *DEFINITIONS.*—*In this subsection:*

³ So in original. Probably should be "subsection".

(A) *PROBATIONARY PERIOD.*—The term “probationary period” means the fiscal year in which a probationary country is placed in probationary status under this subsection.

(B) *PROGRAM COUNTRY.*—The term “program country” has the meaning given that term in subsection (c)(1)(B).

(2) *DETERMINATION, NOTICE, AND INITIAL PROBATIONARY PERIOD.*—

(A) *DETERMINATION OF PROBATIONARY STATUS AND NOTICE OF NONCOMPLIANCE.*—As part of each program country’s periodic evaluation required by subsection (c)(5)(A), the Secretary of Homeland Security shall determine whether a program country is in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

(B) *INITIAL PROBATIONARY PERIOD.*—If the Secretary of Homeland Security determines that a program country visa is not in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2), the Secretary of Homeland Security shall place the program country in probationary status for the fiscal year following the fiscal year in which the periodic evaluation is completed.

(3) *ACTIONS AT THE END OF THE INITIAL PROBATIONARY PERIOD.*—At the end of the initial probationary period of a country under paragraph (2)(B), the Secretary of Homeland Security shall take one of the following actions:

(A) *COMPLIANCE DURING INITIAL PROBATIONARY PERIOD.*—If the Secretary determines that all instances of noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2) that were identified in the latest periodic evaluation have been remedied by the end of the initial probationary period, the Secretary shall end the country’s probationary period.

(B) *NONCOMPLIANCE DURING INITIAL PROBATIONARY PERIOD.*—If the Secretary determines that any instance of noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2) that were identified in the latest periodic evaluation has not been remedied by the end of the initial probationary period—

(i) the Secretary may terminate the country’s participation in the program; or

(ii) on an annual basis, the Secretary may continue the country’s probationary status if the Secretary, in consultation with the Secretary of State, determines that the country’s continued participation in the program is in the national interest of the United States.

(4) *ACTIONS AT THE END OF ADDITIONAL PROBATIONARY PERIODS.*—At the end of all probationary periods granted to a country pursuant to paragraph (3)(B)(ii), the Secretary shall take 1 of the following actions:

(A) *COMPLIANCE DURING ADDITIONAL PERIOD.*—The Secretary shall end the country’s probationary status if the Secretary determines during the latest periodic evaluation

required by subsection (c)(5)(A) that the country is in compliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

(B) *NONCOMPLIANCE DURING ADDITIONAL PERIODS.*—The Secretary shall terminate the country’s participation in the program if the Secretary determines during the latest periodic evaluation required by subsection (c)(5)(A) that the program country continues to be in noncompliance with the program requirements under subparagraphs (A)(ii) through (F) of subsection (c)(2).

(5) *EFFECTIVE DATE.*—The termination of a country’s participation in the program under paragraph (3)(B) or (4)(B) shall take effect on the first day of the first fiscal year following the fiscal year in which the Secretary determines that such participation shall be terminated. Until such date, nationals of the country shall remain eligible for a waiver under subsection (a).

(6) *TREATMENT OF NATIONALS AFTER TERMINATION.*—For purposes of this subsection and subsection (d)—

(A) nationals of a country whose designation is terminated under paragraph (3) or (4) shall remain eligible for a waiver under subsection (a) until the effective date of such termination; and

(B) a waiver under this section that is provided to such a national for a period described in subsection (a)(1) shall not, by such termination, be deemed to have been rescinded or otherwise rendered invalid, if the waiver is granted prior to such termination.

(7) *CONSULTATIVE ROLE OF THE SECRETARY OF STATE.*—In this subsection, references to subparagraphs (A)(ii) through (F) of subsection (c)(2) and subsection (c)(5)(A) carry with them the consultative role of the Secretary of State as provided in those provisions.

* * * * *

(h) Use of information technology systems

(1) Automated entry-exit control system

(A) System

Not later than October 1, 2001, the [Attorney General] Secretary of Homeland Security shall develop and implement a fully automated entry and exit control system that will collect a record of arrival and departure for every alien who arrives and departs by sea or air at a port of entry into the United States and is provided a waiver under the program.

* * * * *

(i) Data collection by carriers

* * * * *

(ii) Data provision by carriers

Not later than October 1, 2002, no waiver may be provided under this section to an alien arriving by sea or air at a port of entry into the United States on a carrier unless the carrier is electronically transmitting

to the automated entry and exit control system passenger data determined by the [Attorney General] Secretary of Homeland Security to be sufficient to permit the [Attorney General] Secretary of Homeland Security to carry out this paragraph.

(iii) Calculation

The system shall contain sufficient data to permit the [Attorney General] Secretary of Homeland Security to calculate, for each program country and each fiscal year, the portion of nationals of that country who are described in subparagraph (A) and for whom no record of departure exists, expressed as a percentage of the total number of such nationals who are so described.

(C) Reporting

(i) Percentage of nationals lacking departure record

As part of the annual report required to be submitted under section 1365a(e)(1) of this title, the [Attorney General] Secretary of Homeland Security shall include a section containing the calculation described in subparagraph (B)(iii) for each program country for the previous fiscal year, together with an analysis of that information.

(ii) System effectiveness

* * * * *

(I) The conclusions of the [Attorney General] Secretary of Homeland Security regarding the effectiveness of the automated entry and exit control system to be developed and implemented under this paragraph.

(II) The recommendations of the [Attorney General] Secretary of Homeland Security regarding the use of the calculation described in subparagraph (B)(iii) as a basis for evaluating whether to terminate or continue the designation of a country as a program country.

* * * * *

(2) Automated data sharing system

(A) System

The [Attorney General] Secretary of Homeland Security and the Secretary of State shall develop and implement an automated data sharing system that will permit them to share data in electronic form from their respective records systems regarding the admissibility of aliens who are nationals of a program country.

(B) Requirements

* * * * *

(i) * * *

* * * * *

(ii) Supplying photographs of inadmissible aliens

The system shall permit the [Attorney General] Secretary of Homeland Security electronically to obtain any photograph contained in the records of the Secretary of State pertaining to an alien who is a national of a program country and has been determined to be ineligible to receive a visa.

HOMELAND SECURITY ACT, 2002, PUBLIC LAW 107-296

TITLE VII—MANAGEMENT

- Sec. 701. Under Secretary for Management.
- Sec. 702. Chief Financial Officer.
- Sec. 703. Chief Information Officer.
- Sec. 704. Chief Human Capital Officer.
- Sec. 705. Establishment of Officer for Civil Rights and Civil Liberties.
- Sec. 706. Consolidation and Co-location of Offices.

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TITLE VII—MANAGEMENT

SEC. 706. CONSOLIDATION AND CO-LOCATION OF OFFICES.

* * * * *

SEC. 707. DEPARTMENT OF HOMELAND SECURITY FORFEITURE FUND.

(a) *IN GENERAL.*—There is established in the United States Treasury, a special fund to be known as the “Department of Homeland Security Forfeiture Fund” (referred to in this section as the ‘Fund’).

(b) *USE OF FUNDS.*—The Fund shall be available to the Secretary of Homeland Security (referred to in this section as ‘the Secretary’), without fiscal year limitation, with respect to seizures and forfeitures made pursuant to any law enforced or administered by the Department, for the following law enforcement and other purposes:

(1)(A) Payment of all proper expenses of seizure (including investigative costs incurred by a Department of Homeland Security law enforcement organization leading to seizure) or the proceedings of forfeiture and sale, including the expenses of detention, inventory, security, maintenance, advertisement, or disposal of the property, and if condemned by a court and a bond for such costs was not given, the costs as taxed by the court.

(B) Payment for—

(i) contract services;

(ii) the employment of outside contractors to operate and manage properties or to provide other specialized services necessary to dispose of such properties in an effort to maximize the return from such properties; and

(iii) reimbursing any Federal, State, or local agency for any expenditures made to perform the functions described in this subparagraph.

(C) Awards of compensation to informers under section 619 of the Tariff Act of 1930 (19 U.S.C. 1619).

(D) Satisfaction of—

(i) liens for freight, charges, and contributions in general average, notice of which has been filed with the appropriate Customs officer according to law; and

(ii) subject to the discretion of the Secretary, other valid liens and mortgages against property that has been forfeited pursuant to any law enforced or administered by a Department of Homeland Security law enforcement organization. To determine the validity of any such lien or mortgage, the amount of payment to be made, and to carry out the functions described in this subparagraph, the Secretary may employ and compensate attorneys and other personnel skilled in State real estate law.

(E) Payment of amounts authorized by law with respect to remission and mitigation.

(F) Payment of claims of parties in interest to property disposed of under section 612(b) of the Tariff Act of 1930 (19 U.S.C. 1612(b)), in the amounts applicable to such claims at the time of seizure.

(G) Equitable sharing payments made to other Federal agencies, State and local law enforcement agencies, and foreign countries pursuant to section 616(c) of the Tariff Act of 1930 (19 U.S.C. 1616a(c)), section 981 of title 18, or subsection (h) of this section, and all costs related thereto.

(H) Payment for services of experts and consultants needed by a Department of Homeland Security law enforcement organization to carry out the organization's duties relating to seizure and forfeiture.

(I) Payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State or local law enforcement officers that are incurred in joint law enforcement operations with a Department of Homeland Security law enforcement organization.

(J) Payment made pursuant to guidelines promulgated by the Secretary, if such payment is necessary and directly related to seizure and forfeiture program expenses for—

(i) the purchase or lease of automatic data processing systems (not less than a majority of which use will be related to such program);

(ii) training;

(iii) printing; and

(iv) services, including contracting for services, directly related to—

(I) the identification of forfeitable assets;

(II) the processing of and accounting for forfeitures; and

(III) the storage, maintenance, protection, and destruction of controlled substances.

(K) *Payment for equipment for any vessel, vehicle, or aircraft available for official use by the United States Coast Guard to enable the vessel, vehicle, or aircraft to assist in law enforcement functions.*

(L) *Payment for any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency to enable the vessel, vehicle or aircraft to assist in law enforcement functions if the vessel, vehicle or aircraft will be used in joint law enforcement operations with the United States Coast Guard.*

(M) *Payment for overtime salaries, travel, fuel, training, equipment,. And other similar costs of State and local law enforcement operations with the United States Coast Guard.*

(N) *Payment for expenses incurred in bringing vessels into compliance with applicable environmental laws prior to disposal by sinking.*

(2) *At the discretion of the Secretary—*

(A) *payment of awards for information or assistance leading to a civil or criminal forfeiture involving any Department of Homeland Security law enforcement organization participating in the Fund;*

(B) *purchases of evidence or information by—*

(i) *a Department of Homeland Security law enforcement organization with respect violations of any law enforced or administered by a Department of Homeland Security law enforcement;*

(C) *payment of costs for publicizing awards available under section 619 of the Tariff Act of 1930 (19 U.S.C. 1619);*

(D) *payment for equipment for any vessel, vehicle, or aircraft available for official use by a Department of Homeland Security law enforcement organization to enable the vessel, vehicle, or aircraft to assist in law enforcement functions, and for other equipment directly related to seizure or forfeiture, including laboratory equipment, protective equipment, communications equipment, and the operation and maintenance costs of such equipment;*

(E) *the payment of claims against employees of the Department of Homeland Security settled by the Secretary under section 630 of the Tariff Act of 1930;*

(F) *payment for equipment for any vessel, vehicle, or aircraft available for official use by a State or local law enforcement agency to enable the vessel, vehicle, or aircraft to assist in law enforcement functions if the vessel, vehicle, or aircraft will be used in joint law enforcement operations with a Department of Homeland Security law enforcement organization;*

(G) *reimbursement of private persons for expenses incurred by such persons in cooperating with a Department of Homeland Security law enforcement organization in investigations and undercover law enforcement operations; and*

(H) payment for training foreign law enforcement personnel with respect to seizure or forfeiture activities of the Department of Homeland Security; and

(c) LIMITATIONS.—

(1) Any payment made under subparagraph (D) or (E) of subsection (b)(1) with respect to a seizure or a forfeiture of property shall not exceed the value of the property at the time of the seizure.

(2) Any payment made under subsection (b)(1)(G) with respect to a seizure or forfeiture of property shall not exceed the value of the property at the time of disposition.

(3) The Secretary may exempt the procurement of contract services under the Fund from section 3709 of the Revised Statutes of the United States (41 U.S.C. 5), title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), and other provisions of law as may be necessary to maintain the security and confidentiality of related criminal investigations.

(4) The Secretary shall assure that any equitable sharing payment made to a State or local law enforcement agency pursuant to subsection (b)(1)(G) and any property transferred to a State or local law enforcement agency pursuant to subsection (i)—

(A) has a value that bears a reasonable relationship to the degree of participation of the State or local agency in the law enforcement effort resulting in the forfeiture, taking into account the total value of all property forfeited and the total law enforcement effort with respect to the violation of law on which the forfeiture is based; and

(B) will serve to encourage further cooperation between the recipient State or local agency and Federal law enforcement agencies.

(d) DEPOSITS AND CREDITS.—

(1) With respect to fiscal year 2014 and thereafter, there shall be deposited into or credited to the Fund—

(A) all currency forfeited during fiscal year 2014 and thereafter, and all proceeds from forfeitures during fiscal year 2014 and there after, under any law enforced or administered by the Department of Homeland Security law enforcement organizations;

(B) all income from investments made under subsection (e); and

(C) all amounts representing the equitable share of the Department of Homeland Security law enforcement organizations from the forfeiture of property under any Federal, State, local, or foreign law.

(2) With respect to fiscal years beginning after fiscal year 2014, there shall be deposited into or credited to the Fund—

(A) all currency forfeited after fiscal year 2014 and all proceeds from forfeitures after fiscal year 2014, under any law enforced or administered by a Department of Homeland Security law enforcement organization;

(B) all income from investments made under subsection (e); and

(C) all amounts representing the equitable share of a Department of Homeland Security law enforcement organization from the forfeiture of property under any Federal, State, local, or foreign law.

(e) INVESTMENTS.—Amounts in the Fund, and in any holding accounts associated with the Fund, which are not currently needed for the purposes of this section may be kept on deposit or invested in obligations of, or guaranteed by, the United States and all earnings on such investments shall be deposited in the Fund.

(f) REPORTS TO CONGRESS.—The Fund shall be subject to annual financial audits as authorized in the Chief Financial Officers Act of 1990 (Public Law 101–576).

(1) The Secretary shall transmit to the Congress, not later than February 1 of each year copies of the annual financial audits.

(g) ADMINISTRATION.—The Fund shall be administered on behalf of the Secretary by the Department of Homeland Security, Chief Financial Officer who is authorized to enter into an agreement with any Federal agency to manage the operations of the Fund on behalf of the Department. Payments may be made to the managing agency from the proceeds of the Fund, not to exceed 8 percent of funds managed on behalf of the Department.

(h) APPROPRIATIONS.—

(1) There are hereby appropriated from the Fund such sums as may be necessary to carry out the purposes described in subsection (a)(1).

(2) There are authorized to be appropriated from the Fund to carry out the purposes set forth in subsections (a)(2) and (c) not to exceed \$50,000,000 for each fiscal year.

(3)(A) The Secretary of the Treasury, in coordination with the Secretary of Homeland Security, shall reserve from the unobligated balances remaining in the Treasury Forfeiture Fund on September 30, 2013, an amount equal to balances resulting from actions carried out by the Department of Homeland Security, and such amount shall be transferred to the Fund on October 1, 2013. Such amount shall be available for any expenses or activities authorized under this section. At the end of fiscal year 2013, and at the end of each fiscal year thereafter, the Secretary shall reserve any amounts that are required to be retained in the Fund to ensure the availability of amounts in the subsequent fiscal year for purposes authorized under subsection (a). Unobligated balances remaining pursuant to section 4(B) shall also be carried forward.

(B) Super Surplus: Any unobligated balances in the Fund on October 1, 2013, and on September 30 of each fiscal year thereafter, shall be made available to the Secretary, without fiscal year limitation, for obligation or expenditure in connection with the law enforcement activities of any Federal agency, including a Department of Homeland Security law enforcement organization: Provided, That none of the funds transferred shall be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified at least 15 days in advance of such transfer.

(C) Any obligation or expenditure in excess of \$500,000 with respect to an unobligated balance described in subparagraph (B) may not be made by the Secretary unless the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of such obligation or expenditure.

(i) *RETENTION OR TRANSFER OF PROPERTY.*—

(1) The Secretary may, with respect to any property forfeited under any law enforced or administered by the Department of Homeland Security—

(A) retain any of the property for official use; or

(B) transfer any of the property to—

(i) any other Federal agency; or

(ii) any State or local law enforcement agency that participated directly or indirectly in the seizure or forfeiture of the property; and

(2) The Secretary may transfer any forfeited personal property or the proceeds of the sale of any forfeited personal or real property to any foreign country which participated directly or indirectly in the seizure or forfeiture of the property, if such a transfer—

(A) is one with which the Secretary of State has agreed;

(B) is authorized in an international agreement between the United States and the foreign country; and

(C) is made to a country which, if applicable, has been certified under section 481(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(h)).

(3) Nothing in this section shall affect the authority of the Secretary under section 981 of title 18 or section 616 of the Tariff Act of 1930 (19 U.S.C. 1616a).

(j) *REGULATIONS.*—The Secretary may prescribe such rules and regulations as may be necessary to carry out this section.

(k) *CUSTOMS AND TREASURY FORFEITURE FUNDS.*—Notwithstanding any other provision of law—

(1) during any period when forfeited currency and proceeds from forfeitures under any law enforced or administered by the Department of Homeland Security, are required to be deposited in the Fund pursuant to this section—

(A) all moneys required to be deposited in the Customs Forfeiture Fund or the Treasury Forfeiture Fund pursuant to section 613A of the Tariff Act of 1930 (19 U.S.C. 1613b) shall instead be deposited in the Fund; and

(B) no deposits or withdrawals may be made to or from the Customs Forfeiture Fund pursuant to section 613A of the Tariff Act of 1930 (19 U.S.C. 1613b); and

(2) any funds in the Treasury Forfeiture Fund apportioned to represent the contributions of the Department of Homeland Security law enforcement organization and any obligations of the Department of Homeland Security law enforcement organization of the Treasury Forfeiture Fund on the effective date of the enactment of this section, shall be transferred to the Fund and all administrative costs of such transfer shall be paid for out of the Fund.

(l) *LIMITATION OF LIABILITY.*—The United States shall not be liable in any action relating to property transferred under this sec-

tion or under section 616 of the Tariff Act of 1930 (19 U.S.C. 1616a) if such action is based on an act or omission occurring after the transfer.

(m) *AUTHORITY TO WARRANT TITLE.*—Following the completion of procedures for the forfeiture of property pursuant to any law enforced or administered by the Department of Homeland Security, the Secretary is authorized, at the Secretary's discretion, to warrant clear title to any subsequent purchaser or transferee of such forfeited property.

(n) *FORFEITED PROPERTY.*—For purposes of this section and notwithstanding section 524(c)(11) of title 28, United States Code, or any other law, property and currency shall be deemed to be forfeited pursuant to a law enforced or administered by a Department of Homeland Security law enforcement organization if it is forfeited pursuant to—

(1) a judicial forfeiture proceeding when the underlying seizure was made by an officer of a Department of the Homeland Security law enforcement organization or the property was maintained by a Department of the Homeland Security law enforcement organization; or

(2) a civil administrative forfeiture proceeding conducted by a Department of the Homeland Security law enforcement organization.

(o) *TRANSFERS TO ATTORNEY GENERAL, SECRETARY OF THE TREASURY, AND POSTMASTER GENERAL.*—

(1) The Secretary shall transfer from the Fund to the Attorney General for deposit in the Department of Justice Assets Forfeiture Fund or the Secretary of the Treasury for deposit in the Treasury Forfeiture Fund amounts appropriate to reflect the degree of participation of participating Federal agencies in the law enforcement effort resulting in the forfeiture pursuant to laws enforced or administered by a Department of Homeland Security law enforcement organization. For purposes of the preceding sentence, a "participating Federal agency" is an agency that participates in the Department of Justice Assets Forfeiture Fund or the Treasury Forfeiture Fund.

(2) The Secretary shall transfer from the Fund to the Postmaster General for deposit in the Postal Service Fund amounts appropriate to reflect the degree of participation of the United States Postal Service in the law enforcement effort resulting in the forfeiture pursuant to laws enforced or administered by a Department of Homeland Security law enforcement organization.

(p) *DEFINITIONS.*—For purposes of this section—

(1) The term "Department of Homeland Security law enforcement organization" means U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, the United States Secret Service, the Federal Law Enforcement Training Center, the United States Coast Guard, and any other law enforcement component of the Department of the Homeland Security so designated by the Secretary.

(2) The term "Secretary" means the Secretary of the Homeland Security.

**DEPARTMENT OF HOMELAND SECURITY
 APPROPRIATIONS ACT, 2007, PUBLIC LAW 109-295**

TITLE V

GENERAL PROVISIONS

SEC. 501. * * *

* * * * *

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—

* * * * *

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*.

**DEPARTMENT OF HOMELAND SECURITY
 APPROPRIATIONS ACT, 2010, PUBLIC LAW 111-83**

TITLE V

GENERAL PROVISIONS

(INCLUDING RESCISSIONS OF FUNDS)

SEC. 547. Section 401(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by striking “at the end of the 11-year period beginning on the first day the pilot program is in effect.” and inserting “on **[September 30, 2012]** *September 30, 2015*.”

SEC. 548. Section 610(b) of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1993 (8 U.S.C. 1153 note) is amended by striking “for 15 years” and inserting “until **[September 30, 2012]** *September 30, 2015*.”

* * * * *

SEC. 568. (a) SPECIAL IMMIGRANT NONMINISTER RELIGIOUS WORKER PROGRAM AND OTHER IMMIGRATION PROGRAMS.—

(1) EXTENSION.—Subclauses (II) and (III) of section 101(a)(27)(C)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)(C)(ii)) are amended by striking “September 30, 2009,” each place such term appears and inserting “**[September 30, 2012]** *September 30, 2015*”.

* * * * *

(b) CONRAD STATE 30 J-1 VISA WAIVER PROGRAM.—Section 220(c) of the Immigration and Nationality Technical Corrections Act of 1994 (8 U.S.C. 1182 note) is amended by amending by striking “September 30, 2009” and inserting “[September 30, 2012] *September 30, 2014*”.

**CONSOLIDATED APPROPRIATIONS ACT, 2012, PUBLIC
LAW 112-74**

TITLE IV

RESEARCH AND DEVELOPMENT, TRAINING, AND SERVICES

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, including materials and support costs of Federal law enforcement basic training; the purchase of not to exceed 117 vehicles for police-type use and hire of passenger motor vehicles; expenses for student athletic and related activities; the conduct of and participation in firearms matches and presentation of awards; public awareness and enhancement of community support of law enforcement training; room and board for student interns; a flat monthly reimbursement to employees authorized to use personal mobile phones for official duties; and services as authorized by section 3109 of title 5, United States Code; \$238,957,000; of which up to \$48,978,000 shall remain available until September 30, 2013, for materials and support costs of Federal law enforcement basic training; of which \$300,000 shall remain available until expended to be distributed to Federal law enforcement agencies for expenses incurred participating in training accreditation; and of which not to exceed \$10,200 shall be for official reception and representation expenses: *Provided*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That section 1202(a) of Public Law 107-206 (42 U.S.C. 3771 note), as amended by Public Law 111-83 (123 Stat. 2166), is further amended by striking “December 31, 2012” and inserting “[December 31, 2014] *December 31, 2015*”.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the Budget Resolution for 2013: Subcommittee on Homeland Security:				
Mandatory	1,423	1,423	1,431	¹ 1,431
Discretionary	39,514	45,249	45,320	¹ 45,52
Security	1,564	1,818	NA	NA
Nonsecurity	37,950	43,431	NA	NA
Projection of outlays associated with the recommendation:				
2013				² 26,588
2014				9,055
2015				5,769
2016				2,764
2017 and future years				2,238
Financial assistance to State and local governments for 2013	NA	5,515	NA	392

¹ Includes outlays from prior-year budget authority.

² Excludes outlays from prior-year budget authority.

NA: Not applicable.

Consistent with the funding recommended in the bill for disaster funding and overseas contingency operations and in accordance with section 251(b)(2)(D) of the BBEDCA and section 106 of the Deficit Control Act of 2011, the Committee anticipates that the Budget Committee will file a revised section 302(a) allocation for the Committee on Appropriations reflecting an upward adjustment of \$5,735,000,000 in budget authority plus associated outlays.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2013
 [In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
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	4,295	-705	.....
Immediate Office of the Deputy Secretary	1,918	2,387	2,100	+182	-287
Office of the Chief of Staff	2,300	2,498	2,300	.....	-198
Office of Counterterrorism Enforcement	1,800	.....	.....	-1,800	.....
Executive Secretary	8,100	7,993	7,993	-107	.....
Office of Policy	40,000	33,678	44,322	+4,322	+10,644
Office of Public Affairs	5,800	5,966	5,800	.....	-166
Office of Legislative Affairs	6,000	6,041	6,041	+41	.....
Office of Intergovernmental Affairs	2,650	2,648	2,500	-150	-148
Office of General Counsel	22,400	21,947	21,947	-453	.....
Office for Civil Rights and Civil Liberties	22,500	21,716	21,716	-784	.....
Citizenship and Immigration Services Ombudsman	6,200	5,950	5,950	-250	.....
Privacy Officer	8,491	8,387	8,387	-104	.....
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	133,351	+192	-799
Office of the Under Secretary for Management:					
Immediate Office of the Under Secretary for Management	2,550	3,112	3,112	+562	.....
Office of Security	70,000	69,258	69,258	-742	.....
Office of the Chief Procurement Officer	78,000	73,176	73,176	-4,824	.....
Subtotal	150,550	145,546	145,546	-5,004	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued

[In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Office of the Chief Human Capital Officer:					
Salaries and expenses	25,165	25,971	24,971	-194	-1,000
Human resources information technology	14,172	9,689	9,689	-4,483	.....
Subtotal	39,337	35,660	34,660	-4,677	-1,000
Office of the Chief Administrative Officer:					
Salaries and expenses	40,700	35,117	34,616	-6,084	-501
Nebraska Avenue Complex (NAC)	5,000	5,448	5,448	+448	.....
Subtotal	45,700	40,565	40,064	-5,636	-501
Subtotal, Office of the Under Secretary for Management	235,587	221,771	220,270	-15,317	-1,501
DHS Consolidated Headquarters Project .....	.....	89,000	.....	.....	-89,000
Office of the Chief Financial Officer	50,860	55,414	53,714	+2,854	-1,700
Office of the Chief Information Officer:					
Salaries and expenses	105,500	120,670	120,670	+15,170	.....
Information technology services	38,800	28,002	28,002	-10,798	.....
Infrastructure and security activities	69,000	121,839	57,042	-11,958	-64,797
Homeland Secure Data Network	44,000	42,132	42,132	-1,868	.....
Subtotal	257,300	312,643	247,846	-9,454	-64,797
Analysis and Operations	338,068	321,982	323,782	-14,286	+1,800
Total, Departmental Operations	1,014,974	1,134,960	978,963	-36,011	-155,997
Office of Inspector General:					
Operating expenses	117,000	143,664	122,664	+5,664	-21,000

	(24,000)		(24,000)		(+ 24,000)
(by transfer from Disaster Relief)					
Total, Office of Inspector General	141,000	143,664	146,664	+ 5,664	+ 3,000
Total, title I, Departmental Management and Operations	1,131,974	1,278,624	1,101,627	- 30,347	- 176,997
(by transfer)	(24,000)		(24,000)		(+ 24,000)
TITLE II—SECURITY, ENFORCEMENT, AND INVESTIGATIONS					
U.S. Customs and Border Protection					
Salaries and Expenses:					
Headquarters, Management, and Administration:					
Management and administration, border security inspections and trade facilitation	667,794	601,414	599,914	- 67,880	- 1,500
Management and administration, border security and control between ports of entry	717,309	665,646	664,146	- 53,163	- 1,500
Rent	483,749	614,871	614,871	+ 131,122	
Subtotal	1,868,852	1,881,931	1,878,931	+ 10,079	- 3,000
Border Security Inspections and Trade Facilitation:					
Inspections, trade, and travel facilitation at ports of entry	2,484,235	2,480,674	2,499,674	+ 15,439	+ 19,000
Harbor maintenance fee collection (trust fund)	3,274	3,285	3,285	+ 11	
International cargo screening	74,557	71,534	71,534	- 3,023	
Other international programs	10,684	27,084	24,866	+ 14,182	- 2,218
Customs-Trade Partnership Against Terrorism (C-TPAT)	44,979	40,082	40,082	- 4,897	
Trusted Traveler programs	6,311	6,311	6,311		
Inspection and detection technology investments	148,537	117,575	117,575	- 30,962	
Automated targeting systems	41,400	113,826	113,826	+ 72,426	
National Targeting Center	51,950	65,127	65,127	+ 13,177	
Training	37,834	34,860	34,860	- 2,974	
Subtotal	2,903,761	2,960,358	2,977,140	+ 73,379	+ 16,782
Border Security and Control Between Ports of Entry:					
Border security and control	3,530,994	3,551,840	3,551,840	+ 20,846	
Training	88,610	74,110	74,110	- 14,500	
Subtotal	3,619,604	3,625,950	3,625,950	+ 6,346	
Air and Marine Operations	287,901	280,819	287,849	- 52	+ 7,030
US-VISIT		261,523			- 261,523

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued

[In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Subtotal, Salaries and expenses	8,680,118	9,010,581	8,769,870	+ 89,752	- 240,711
Appropriations	(8,676,844)	(9,007,296)	(8,766,585)	(+ 89,741)	(- 240,711)
Harbor maintenance trust fund	(3,274)	(3,285)	(3,285)	(+ 11)	.....
Automation Modernization:					
Automated Commercial Environment/International Trade Data System [ITDS]	140,000	140,794	140,794	+ 794	.....
Current operations protection and processing support [COPPS]	194,275	186,732	186,732	- 7,543	.....
Subtotal	334,275	327,526	327,526	- 6,749	.....
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	387,799	+ 22,712	+ 19,000
Procurement	138,879	66,970	118,967	- 19,912	+ 51,997
Subtotal	503,966	435,769	506,766	+ 2,800	+ 70,997
Construction and Facilities Management:					
Facility construction and sustainment	182,500	186,214	186,214	+ 3,714	.....
Program oversight and management	54,096	57,452	57,452	+ 3,356	.....
Subtotal	236,596	243,666	243,666	+ 7,070	.....
US-VISIT .....	.....	.....	279,133	+ 279,133	+ 279,133
(Transfer out to ICE) .....	.....	.....	(- 18,000)	(- 18,000)	(- 18,000)

	10,154,955	10,344,641	10,454,060	+ 299,105	+ 109,419
Total, U.S. Customs and Border Protection direct appropriations					
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	(411,937)	(419,352)	(419,352)	(+ 7,415)	
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	(1,439,601)	(1,518,916)	(1,518,916)	(+ 79,315)	
Total Program Level, U.S. Customs and Border Protection	(11,594,556)	(11,863,557)	(11,972,976)	(+ 378,420)	(+ 109,419)
Appropriations	(10,154,955)	(10,344,641)	(10,454,060)	(+ 299,105)	(+ 109,419)
Fee accounts	(1,439,601)	(1,518,916)	(1,518,916)	(+ 79,315)	
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	213,959	- 19,292	- 6,163
Headquarters-managed IT investment	184,227	157,188	157,188	- 27,039	
Subtotal	417,478	377,310	371,147	- 46,331	- 6,163
Legal Proceedings	215,935	207,580	207,580	- 8,355	
Investigations:					
Domestic investigations	1,725,234	1,672,526	1,654,916	- 70,318	- 17,610
(By transfer)			(18,000)	(+ 18,000)	(+ 18,000)
International Investigations:					
International operations	114,928	110,370	115,370	+ 442	+ 5,000
Visa Security Program	33,889	32,616	32,616	- 1,273	
Subtotal	148,817	142,986	147,986	- 831	+ 5,000
Subtotal, Investigations	1,874,051	1,815,512	1,802,902	- 71,149	- 12,610
Intelligence	81,503	78,748	78,748	- 2,755	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
 FOR FISCAL YEAR 2013—Continued
 (In thousands of dollars)

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Detention and Removal Operations:					
Custody operations	2,050,545	1,959,363	1,986,081	- 64,464	+ 26,718
Fugitive operations	154,597	132,925	132,925	- 21,672	.....
Criminal alien program	196,696	216,724	216,724	+ 20,028	.....
Alternatives to detention	72,373	111,590	96,687	+ 24,314	- 14,903
(Transfer out to DOJ) .....	.....	(- 5,000)	(- 5,000)	(- 5,000)	.....
Transportation and removal program	276,632	258,227	263,227	- 13,405	+ 5,000
Subtotal	2,750,843	2,678,829	2,695,644	- 55,199	+ 16,815
Secure Communities	189,064	138,713	138,713	- 50,351	.....
Subtotal, Salaries and expenses	5,528,874	5,296,692	5,294,734	- 234,140	- 1,958
Automation Modernization	21,710	30,500	30,500	+ 8,790	.....
Construction .....	.....	5,000	5,000	+ 5,000	.....
Total, U.S. Immigration and Customs Enforcement direct appropriations	5,550,584	5,332,192	5,330,234	- 220,350	- 1,958
Fee Accounts:					
Immigration inspection user fee	(116,869)	(116,869)	(116,869)	.....	.....
Breach 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 Program Level, Immigration and Customs Enforcement	(5,862,453)	(5,644,061)	(5,655,103)	(- 207,350)	(+ 11,042)
Appropriations	(5,550,584)	(5,332,192)	(5,330,234)	(- 220,350)	(- 1,958)
Fee accounts	(311,869)	(311,869)	(311,869)	.....	.....
(By Transfer) .....	.....	.....	(18,000)	(+ 18,000)	(+ 18,000)

	(- 5,000)	(- 5,000)	(- 5,000)	(- 5,000)
(Transfer out)				
Transportation Security Administration				
Aviation Security:				
Screening Operations:				
Screener workforce:				
Privatized screening	144,193	143,190	143,190	-1,003
Screener personnel, compensation, and benefits	3,025,771	3,107,649	3,100,000	+ 74,229
Subtotal	3,169,964	3,250,839	3,243,190	+ 73,226
Screener training and other	249,796	225,012	225,012	- 24,784
Checkpoint support	204,768	120,239	119,239	- 89,529
Subtotal	3,169,964	3,250,839	3,243,190	+ 73,226
EDS/ETD Systems:				
EDS procurement and installation	222,738	117,349	107,349	- 115,389
Screening technology maintenance, utilities	320,365	309,000	309,000	- 11,365
Subtotal	543,103	426,349	416,349	- 126,754
Subtotal, Screening operations	4,167,631	4,022,439	3,999,790	- 167,841
Aviation Security Direction and Enforcement:				
Aviation regulation and other enforcement	369,984	371,989	371,989	+ 2,005
Airport management and support	570,226	569,615	569,615	- 611
FFDO and flight crew training	25,461	12,500	24,000	- 1,461
Air cargo	120,654	122,096	122,096	+ 1,442
Subtotal	1,086,325	1,076,200	1,087,700	+ 1,375
Aviation Security Capital Fund (mandatory)	(250,000)	(250,000)	(250,000)	
Total, Aviation security (gross)	5,253,956	5,098,639	5,087,490	- 166,466
Aviation security fees (offsetting collections)	- 2,030,000	- 2,070,000	- 2,070,000	- 40,000
Additional offsetting collections (leg. proposal)		- 115,000	- 315,000	- 315,000
Total, Aviation security (net, discretionary)	3,223,956	2,913,639	2,702,490	- 521,466
Surface Transportation Security:				
Staffing and operations	38,514	36,711	36,711	- 1,803

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
 FOR FISCAL YEAR 2013—Continued
 [In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Surface transportation security inspectors and canines	96,234	87,565	87,565	- 8,669	.....
Subtotal	134,748	124,276	124,276	- 10,472	.....
Transportation Threat Assessment and Credentialing:					
Secure Flight	92,414	107,074	107,074	+ 14,660	.....
Crew and other vetting programs	71,540	85,557	85,557	+ 14,017	.....
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)	.....
Certified cargo screening program	(5,200)	(7,200)	(7,200)	(+ 2,000)	.....
Large aircraft security program	(1,200)	(1,200)	(1,200)	(- 1,200)	.....
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)	(1,400)	(- 1,400)	.....
Sensitive security information [SSI] fees	(20)	(20)	(20)	(- 20)	.....
Subtotal	204,274	272,351	272,351	+ 68,077	.....
Direct appropriations	(163,954)	(192,631)	(192,631)	(+ 28,677)	.....
Fee funded programs	(40,320)	(79,720)	(79,720)	(+ 39,400)	.....
Transportation Security Support:					
Headquarters administration	292,334	281,554	281,554	- 10,780	.....
Information technology	447,200	417,196	417,196	- 30,004	.....
Human capital services	249,400	225,829	225,829	- 23,571	.....
Intelligence	42,992	45,130	45,130	+ 2,138	.....
Subtotal	1,031,926	969,709	969,709	- 62,217	.....
Federal Air Marshals:					
Management and administration	842,500	815,639	815,639	- 26,861	.....

Travel and training	123,615	113,971	113,971	- 9,644	.....
Subtotal	966,115	929,610	929,610	- 36,505	.....
Total, Transportation Security Administration	7,841,019	7,644,585	7,633,436	- 207,583	- 11,149
Offsetting collections	(- 2,030,000)	(- 2,185,000)	(- 2,385,000)	(- 355,000)	(- 200,000)
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	4,918,716	- 601,983	- 211,149
Coast Guard					
Operating Expenses:					
Military pay and allowances	3,413,061	3,415,595	3,429,023	+ 15,962	+ 13,428
Civilian pay and benefits	784,256	790,130	790,389	+ 6,133	+ 259
Training and recruiting	213,321	212,761	214,115	+ 794	+ 1,354
Operating funds and unit level maintenance	1,109,623	1,092,419	1,098,257	- 11,366	+ 5,838
Centrally managed accounts	336,633	350,178	351,011	+ 14,358	+ 833
Intermediate and depot level maintenance	936,140	930,095	936,684	+ 544	+ 6,589
Overseas contingency operations/Global war on terrorism	258,000	.....	254,000	- 4,000	+ 254,000
Subtotal	7,051,054	6,791,178	7,073,479	+ 22,425	+ 282,301
(Defense)	(598,000)	(339,000)	(535,000)	(- 63,000)	(+ 196,000)
(Nondefense)	(6,453,054)	(6,452,178)	(6,538,479)	(+ 85,425)	(+ 86,301)
Environmental Compliance and Restoration	13,500	13,162	13,162	- 338	.....
Reserve Training	134,278	132,554	132,554	- 1,724	.....
Acquisition, Construction, and Improvements:					
Vessels:					
Survey and design-vessels and boats	6,000	2,500	2,500	- 3,500	.....
Response boat-medium	110,000	8,000	8,000	- 102,000	+ 8,000
In-service cutter sustainment	14,000	.....	.....	- 14,000	.....
National security cutter	77,000	683,000	722,300	+ 645,300	+ 39,300
Offshore patrol cutter	25,000	30,000	30,000	+ 5,000	.....
Fast response cutter	358,000	139,000	335,000	- 23,000	+ 196,000
Cutter small boats	5,000	4,000	4,000	- 1,000	.....
Medium-endurance cutter sustainment	47,000	13,000	13,000	- 34,000	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued

[In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Polar Ice Breaking Vessel		8,000	8,000	+ 8,000	
Subtotal	642,000	879,500	1,122,800	+ 480,800	+ 243,300
Aircraft:					
Airframe replacement (CGNR 6017)	18,300			- 18,300	
Maritime patrol aircraft	129,500	43,000	43,000	- 86,500	
HH-60 conversion projects	56,100			- 56,100	
Long-range surveillance aircraft	62,000			- 62,000	
(DoD transfer for C-130J) (Public Law 112-74)	(63,500)			(- 63,500)	
HH-65 conversion/sustainment projects	24,000	31,500	31,500	+ 7,500	
Subtotal	289,900	74,500	74,500	- 215,400	
Other Acquisition Programs:					
Program oversight and management	25,000	25,000	25,000	- 1,000	
Systems engineering and integration	17,140	2,500	2,500	- 14,640	
CAISR	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	76,500	- 84,640	
Shore Facilities and Aids to Navigation:					
Major Shore; ATON; and Survey and design	92,900	15,000	15,000	- 77,900	
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	69,411	- 111,281	
Military Housing	20,000		10,000	- 10,000	+ 10,000

Personnel and Related Support:						
Direct personnel costs	109,592	116,798	116,798	116,798	+ 7,206	.....
Core acquisition costs	600	600	600	600	.....	.....
Subtotal	110,192	117,398	117,398	117,398	+ 7,206	.....
Rescission of funds from (Public Law 111-83)		-25,000				+ 25,000
Subtotal, Acquisition, construction, and improvements	1,403,924	1,192,309	1,470,609	1,470,609	+ 66,685	+ 278,300
(By Transfer)	(63,500)				(- 63,500)	.....
Research, Development, Test, and Evaluation	27,779	19,728	19,728	19,728	- 8,051	.....
Healthcare fund contribution (permanent indefinite discretionary)	261,871	203,000	203,000	203,000	- 58,871	.....
Retired Pay (mandatory)	1,440,157	1,423,000	1,423,000	1,423,000	- 17,157	.....
Total, Coast Guard	10,332,563	9,774,931	10,335,532	10,335,532	+ 2,969	+ 560,601
Appropriations	(10,074,563)	(9,799,931)	(10,081,532)	(10,081,532)	(+ 6,969)	(+ 281,601)
Rescissions		(- 25,000)				(+ 25,000)
By transfer	(63,500)				(- 63,500)	.....
Overseas contingency operations/Global war on terrorism	(258,000)		(254,000)	(254,000)	(- 4,000)	(+ 254,000)
United States Secret Service						
Salaries and Expenses:						
Protection:						
Protection of persons and facilities	832,463	837,646	857,501	857,501	+ 25,038	+ 19,855
Protective intelligence activities	68,125	68,373	68,373	68,373	+ 248	.....
National special security events	19,307	4,500	4,500	4,500	- 14,807	.....
Presidential candidate nominee protection	113,462	57,960	57,960	57,960	- 55,502	.....
White House mail screening	18,472	19,855			- 18,472	- 19,855
Subtotal	1,051,829	988,334	988,334	988,334	- 63,495	.....
Investigations:						
Domestic field operations	223,991	238,553	297,508	297,508	+ 73,517	+ 58,955
International field office administration, operations, and training	32,971	31,016	31,016	31,016	- 1,955	.....
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		7,500	7,500	- 866	+ 7,500
Subtotal	318,379	324,224	336,024	336,024	+ 17,645	+ 11,800

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued
(In thousands of dollars)

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Headquarters, Management, and Administration	191,588	174,669	174,669	-16,919	.....
Rowley Training Center	55,598	55,749	55,749	+151	.....
Information Integration and Technology Transformation	43,843	1,137	1,137	-42,706	.....
Subtotal, Salaries and expenses	1,661,237	1,544,113	1,555,913	-105,324	+11,800
Acquisition, Construction, Improvements, and Related Expenses	5,380	56,750	.....	-5,380	-56,750
Facilities .....	.....	.....	4,430	+4,430	+4,430
Information Integration and Technology Transformation .....	.....	.....	52,320	+52,320	+52,320
Subtotal, 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	1,612,663	-53,954	+11,800
Total, title II, Security, Enforcement, and Investigations	33,225,418	32,182,492	32,651,205	-574,213	+468,713
Appropriations	(32,967,418)	(32,207,492)	(32,397,205)	(-570,213)	(+189,713)
Rescissions .....	.....	(-25,000)	.....	.....	(+25,000)
Overseas contingency operations/Global war on terrorism	(258,000)	.....	(254,000)	(-4,000)	(+254,000)
(Fee Accounts)	(1,791,790)	(1,910,505)	(1,910,505)	(+118,715)	.....
(By transfer)	(63,500)	.....	(18,000)	(-45,500)	(+18,000)
(Transfer out) .....	.....	(-5,000)	(-23,000)	(-23,000)	(-18,000)
TITLE III—PROTECTION, PREPAREDNESS, RESPONSE, AND RECOVERY					
National Protection and Programs Directorate					
Management and Administration:					
Administrative activities	46,454	50,321	50,321	+3,867	.....
Risk management and analysis	4,241	.....	.....	-4,241	.....
Subtotal	50,695	50,321	50,321	-374	.....

Infrastructure Protection and Information Security:							
Infrastructure Protection (defense):							
Infrastructure analysis and planning	70,518	56,909	59,692	-10,826			+ 2,783
Sector management and governance	74,219	67,132	67,132	- 7,087			
Regional field operations	57,367	56,497	56,497	- 870			
Infrastructure security compliance	93,348	74,544	86,471	- 6,877			+ 11,927
Subtotal, Infrastructure protection	295,452	255,082	269,792	- 25,660			+ 14,710
Cybersecurity and Communications:							
Cybersecurity (defense):							
Cybersecurity coordination	4,500	3,995	3,995	- 505			
US Computer Response Team [US-CERT] Operations	79,116	93,002	93,002	+ 13,886			
Federal Network Security	35,000	236,014	217,606	+ 182,606			- 18,408
Network Security Deployment	229,000	345,046	345,046	+ 116,046			
Global Cybersecurity Management	23,992	21,957	25,965	+ 1,973			+ 4,008
Critical Infrastructure Cyber Protection and Awareness	60,000	62,763	63,763	+ 3,763			+ 1,000
Business Operations	11,568	6,227	6,227	- 5,341			
Subtotal, Cybersecurity	443,176	769,004	755,604	+ 312,428			- 13,400
Communications (defense):							
Office of Emergency Communications	43,495	38,689	41,726	- 1,769			+ 3,037
Priority telecommunications services	56,074	53,286	53,286	- 2,788			
Next generation networks	25,253	20,000	25,253				+ 5,253
Programs to study and enhance telecommunications	13,441	19,594	12,944	- 497			- 6,650
Critical infrastructure protection programs	11,352	10,978	10,978	- 374			
Subtotal, Communications	149,615	142,547	144,187	- 5,428			+ 1,640
Subtotal, Cybersecurity and communications	592,791	911,551	899,791	+ 307,000			- 11,760
Subtotal, Infrastructure Protection and Information Security (defense)	888,243	1,166,633	1,169,583	+ 281,340			+ 2,950
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			

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued

(In thousands of dollars)

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
U.S. Visitor and Immigrant Status Indicator Technology	306,802	.....	.....	- 306,802	.....
Total, National Protection and Programs Directorate	1,245,740	1,216,954	1,219,904	- 25,836	+ 2,950
Appropriations	(2,507,277)	(2,518,778)	(2,521,728)	(+ 14,451)	(+ 2,950)
Offsetting collections	(- 1,261,537)	(- 1,301,824)	(- 1,301,824)	(- 40,287)	.....
Office of Health Affairs					
BioWatch	114,164	125,294	125,294	+ 11,130	.....
National Biosurveillance Integration Center	12,013	8,000	8,000	- 4,013	.....
Chemical Defense Program	5,439	500	2,000	- 3,439	+ 1,500
Planning and Coordination	6,162	4,907	5,249	- 913	+ 342
Salaries and Expenses	29,671	27,757	27,757	- 1,914	.....
Total, Office of Health Affairs	167,449	166,458	168,300	+ 851	+ 1,842
Salaries and Expenses:					
Administrative and regional offices	110,495	214,603	257,884	+ 147,389	+ 43,281
Office of National Capital Region Coordination	(5,493)	.....	(5,099)	(- 394)	(+ 5,099)
Preparedness and protection	109,873	73,153	179,095	+ 69,222	+ 105,942
Response	226,228	171,897	179,681	- 46,547	+ 7,784
Urban search and rescue response system	(41,250)	(27,513)	(35,180)	(- 6,070)	(+ 7,667)
Recovery	78,373	55,423	55,423	- 22,950	.....
Mitigation	43,675	27,110	29,837	- 13,838	+ 2,727
Mission support	219,433	152,806	167,895	- 51,538	+ 15,089
Centrally managed accounts	107,273	94,180	109,587	+ 2,314	+ 15,407
Subtotal, Salaries and expenses	895,350	789,172	979,402	+ 84,052	+ 190,230
(Defense)	(99,099)	(58,000)	(58,000)	(- 41,099)	.....
Federal Emergency Management Agency					

(Nondense)	(796,251)	(731,172)	(921,402)	(+ 125,151)	(+ 190,230)
(by transfer from State and Local Programs)	(91,778)	(279,304)	.....	(- 91,778)	(- 279,304)
(available from Firefighter Assistance Grants)	(33,750)	.....	.....	(- 33,750)	.....
(available from Emergency Management Performance Grants)	(10,500)	.....	.....	(- 10,500)	.....
Program level, Salaries and Expenses	(1,031,378)	(1,068,476)	(979,402)	(- 51,976)	(- 89,074)
Grants and Training:					
State and Local Programs:					
State and local programs (grants)	1,118,000	.....	.....	- 1,118,000	.....
State Homeland Security Grant Program .....	.....	.....	470,000	+ 470,000	+ 470,000
Operation Stonegarden	(50,000)	.....	(55,000)	(+ 5,000)	(+ 55,000)
Urban Area Security Initiative .....	.....	.....	676,908	+ 676,908	+ 676,908
Nonprofit security grants .....	.....	.....	(13,000)	(+ 13,000)	(+ 13,000)
Public transportation security assistance, railroad security assistance .....	.....	.....	132,000	+ 132,000	+ 132,000
Amtrak security .....	.....	.....	(13,000)	(+ 13,000)	(+ 13,000)
Port security grants .....	.....	.....	132,000	+ 132,000	+ 132,000
Subtotal, State and local program (grants)	1,118,000	.....	1,410,908	+ 292,908	+ 1,410,908
Education, Training, and Exercises:					
Emergency Management Institute	16,181	.....	17,805	+ 1,624	+ 17,805
Center for Domestic Preparedness	62,500	.....	64,991	+ 2,491	+ 64,991
National Domestic Preparedness Consortium	93,000	.....	93,000	.....	+ 93,000
Continuing training	26,000	.....	26,000	.....	+ 26,000
National Exercise Program	34,000	.....	32,378	- 1,622	+ 32,378
Subtotal, Education, training and exercises	231,681	.....	234,174	+ 2,493	+ 234,174
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, First Responder Assistance Program .....	.....	1,080,000	.....	.....	- 1,080,000
Management and Administration .....	.....	279,304	.....	.....	- 279,304
Subtotal, State and Local Programs	1,349,681	2,900,212	1,645,082	+ 295,401	- 1,255,130

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
 FOR FISCAL YEAR 2013—Continued
 (In thousands of dollars)

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
(Defense)	(50,000)	.....	(55,000)	(+ 5,000)	(+ 55,000)
(Nondefense)	(1,299,681)	(2,900,212)	(1,590,082)	(+ 290,401)	(- 1,310,130)
(Transfer out to Salaries and Expenses)	(- 91,778)	(- 279,304)	.....	(+ 91,778)	(+ 279,304)
Program level, State and Local Programs	(1,257,903)	(2,620,908)	(1,645,082)	(+ 387,179)	(- 975,826)
Firefighter Assistance Grants:					
Fire grants	337,500	.....	337,500	.....	+ 337,500
Staffing for Adequate Fire and Emergency Response [SAFER] Act grants	337,500	.....	337,500	.....	+ 337,500
Subtotal	675,000	.....	675,000	.....	+ 675,000
(Available to Salaries and Expenses)	(- 33,750)	.....	.....	(+ 33,750)	.....
Program level, Firefighter Assistance Grants	(641,250)	.....	(675,000)	(+ 33,750)	(+ 675,000)
Emergency Management Performance Grants	350,000	.....	350,000	.....	+ 350,000
(Available to Salaries and Expenses)	(- 10,500)	.....	.....	(+ 10,500)	.....
Program level, Emergency Management Performance Grants	(339,500)	.....	(350,000)	(+ 10,500)	(+ 350,000)
Subtotal, Grants and Training	2,374,681	2,900,212	2,670,082	+ 295,401	- 230,130
(Transfer out to salaries and expenses)	(- 136,028)	(- 279,304)	.....	(+ 136,028)	(+ 279,304)
Program level, Grants and Training	(2,238,653)	(2,620,908)	(2,670,082)	(+ 431,429)	(+ 49,174)
Radiological Emergency Preparedness Program	- 896	- 1,443	- 1,443	- 547	.....
United States Fire Administration	44,038	42,520	44,020	- 18	+ 1,500
Disaster Relief Fund	700,000	607,926	607,926	- 92,074	.....
(Disaster relief category)	6,400,000	5,481,000	5,481,000	- 919,000	.....
Subtotal	7,100,000	6,088,926	6,088,926	- 1,011,074	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2012 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2013—Continued
[In thousands of dollars]

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Subtotal	102,424	142,974	116,924	+ 14,500	- 26,050
Fee Accounts:					
Adjudication Services:					
District operations	(1,315,570)	(1,283,771)	(1,283,771)	(- 31,799)	.....
(Immigrant Integration Grants)	(4,960)	.....	(5,000)	(+ 40)	(+ 5,000)
Service center operations	(532,414)	(507,479)	(507,479)	(- 24,935)	.....
Asylum, refugee and international operations	(196,877)	(196,274)	(196,274)	(- 603)	.....
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)	.....
Subtotal	2,475,547	2,343,514	2,343,514	- 132,033	.....
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	2,834,907	- 141,134	+ 20,048
H1-B Visa Fee Account:					
Adjudication Services:					
Service center operations .....	.....	(12,550)	(12,550)	(+ 12,550)	.....
H1-B and L Fraud Prevention Fee Account:					
Adjudication Services:					
District operations .....	.....	(35,000)	(35,000)	(+ 35,000)	.....
Total, Fee accounts	2,976,041	2,862,409	2,882,457	- 93,584	+ 20,048

Total Program Level, United States Citizenship and Immigration Services	(3,078,465)	(3,005,383)	(2,999,381)	(-79,084)	(-6,002)
Appropriations	(102,424)	(142,974)	(116,924)	(+14,500)	(-26,050)
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)
(HI-B Visa Fee Account)	(13,000)	(12,500)	(12,500)	(-450)	
(HI-B and L Fraud Prevention Fee Account)	(39,196)	(35,000)	(35,000)	(-4,196)	
Federal Law Enforcement Training Center					
Salaries and Expenses:					
Law enforcement training	207,937	198,375	198,375	-9,562	
Management and administration	29,716	29,261	29,261	-455	
Accreditation	1,304	1,303	1,303	-1	
Subtotal	238,957	228,939	228,939	-10,018	
Acquisitions, Construction, Improvements, and Related Expenses: direct appropriation	32,456	29,385	29,385	-3,071	
Total, Federal Law Enforcement Training Center	271,413	258,324	258,324	-13,089	
Science and Technology					
Management and Administration	135,000	138,008	138,008	+3,008	
Research, Development, Acquisition, and Operations:					
Research, development, and innovation	265,783	478,048		-265,783	-478,048
Apex R&D			15,000	+15,000	+15,000
Border Security			31,652	+31,652	+31,652
Chem/Bio/Radiological/Nuclear/Explosives Defense			197,688	+197,688	+197,688
Counter Terrorist R&D			25,493	+25,493	+25,493
Cyber Security			64,477	+64,477	+64,477
Disaster Resilience			143,738	+143,738	+143,738
Subtotal, Research, development, and innovation	265,783	478,048	478,048	+212,265	
Laboratory facilities	176,500	127,432	127,432	-49,068	
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	693,464	+160,464	

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FOR FISCAL YEAR 2013—Continued
(In thousands of dollars)

Item	2012 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2012 appropriation	Budget estimate
Total, Science and Technology	668,000	831,472	831,472	+ 163,472	
Domestic Nuclear Detection Office					
Management and Administration	38,000	39,692	39,692	+ 1,692	
Research, Development, and Operations:					
Systems engineering and architecture	30,000	30,091	30,091	+ 91	
Systems development	51,000	28,401	28,401	- 22,599	
Transformational research and development	40,000	83,897	83,897	+ 43,897	
Assessments	38,000	33,198	33,198	- 4,802	
Operations support	33,000	35,679	35,679	+ 2,679	
National Technical Nuclear Forensics Center	23,000	25,564	25,564	+ 2,564	
Subtotal	215,000	236,830	236,830	+ 21,830	
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 systems	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	327,977	+ 37,977	
Total, title IV, Research and Development, Training, and Services	1,331,837	1,560,747	1,534,697	+ 202,860	- 26,050
(Fee Accounts)	(2,976,041)	(2,862,409)	(2,882,457)	(- 93,584)	(+ 20,048)
TITLE V—GENERAL PROVISIONS					
NSSE reimbursement fund	7,500		7,500		+ 7,500
Community Disaster loans			13,000	+ 13,000	+ 13,000

Rescission of unobligated balances	-45,411			+45,411	
Analysis and operations (rescission)		-1,800		-1,800	
CBP BSFT (rescission)		-92,000		-92,000	
TSA Surface Transportation (rescission)		-21,667		-21,667	
USCG AC&I (rescission)		-59,000		-59,000	
Working Capital Fund (rescission)			-996	-996	
Predisaster Mitigation (rescission)			-12,000	-12,000	
Office of Domestic Preparedness (rescission)			-1,328	-1,328	
Lapsed Predisaster Mitigation (rescission)			-3,007	-3,007	
Visa Lottery fee			-50,000	-50,000	
Data center migration	70,000		64,797	-5,203	
DHS Consolidated Headquarters Project	55,979		89,000	+33,021	
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	
CBP BSFT Program Management (rescission)	-7,000			+7,000	
USCG AC&I Great Lakes Icebreaker (rescission)	-2,427			+2,427	
TASC (rescission)	-5,000			+5,000	
US-VISIT (rescission)	-27,400			+27,400	
Total, title V, General Provisions	-70,713	-67,501		+3,212	-67,501
Appropriations	(133,479)	(124,297)		(-9,182)	(+124,297)
Rescissions	(-204,192)	(-191,798)		(+12,394)	(-191,798)
Grand total	47,698,385	46,413,991		-1,026,837	+257,557
Appropriations	(41,244,577)	(40,957,991)		(-116,231)	(+170,355)
Rescissions	(-204,192)	(-25,000)		(+12,394)	(-166,798)
Overseas contingency operations/Global war on terrorism	(258,000)		(254,000)	(-4,000)	(+254,000)
Disaster relief category	(6,400,000)	(5,481,000)		(-919,000)	
(Fee-funded programs)	(4,767,831)	(4,772,914)		(+5,131)	(+20,048)
(Limitation on direct loans)	(25,000)	(25,000)		(-25,000)	(-25,000)
(By transfer)	(179,278)	(279,304)		(-137,278)	(-237,304)
(Transfer out)	(-115,778)	(-284,304)		(+68,778)	(+237,304)