



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

May 31, 2011
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2017 — Department of Homeland Security Appropriations Act, 2012
(Rep. Rogers, R-KY)

The Administration supports House passage of H.R. 2017, making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2012. The Administration is committed to ensuring the Nation lives within its means and reducing the deficit so that the Nation can compete in the global economy and win the future. That is why the President put forth a comprehensive fiscal framework that reduces the deficit by \$4 trillion, supports economic growth and long-term job creation, protects critical investments, and meets the commitments made to provide dignity and security to Americans no matter their circumstances.

While overall funding limits and subsequent allocations remain unclear pending the outcome of ongoing bipartisan, bicameral discussions between the Administration and congressional leadership on the Nation's long-term fiscal picture, the bill provides insufficient funding for a number of programs in a way that undermines core government functions and investments key to economic growth and job creation. Programs adversely affected by the bill include:

Transportation Security Administration Passenger Security Fee. The Administration is concerned that the Committee bill fails to reform the aviation passenger security fee.

State and Local Grant Programs. The Administration is concerned that the Committee bill insufficiently funds the Federal Emergency Management Agency's State and local grants, including Assistance to Firefighter Grants. The funding level provided will adversely impact the entire portfolio of preparedness grants to State, local, tribal jurisdictions, and the transportation sector. Further, funding the SAFER program at the Committee's level would reduce the number of firefighters funded by approximately 2,200 positions. Although large balances remain available in these programs, State and local governments depend on this funding to support ongoing homeland security prevention and preparedness programs and ensure that all levels of government have the capacity to adequately respond to threats. The Administration supports and appreciates the flexibility given to the Secretary to allocate limited homeland security grant funding to those areas deemed most critical.

Science and Technology Research Funding. The funding for research and development provided in the Committee's bill would limit the domestic investment in developing new capabilities to efficiently meet the demands of current and emerging homeland security threats through the elimination of more than 144 research projects in areas such as biological and explosives detection, advanced cyber security, and interoperability. Without domestic investment in new technologies and solutions targeted specifically at the homeland security threat, the United States will become increasingly dependent on foreign countries for any advances in homeland security technology.

Coast Guard Fast Response Cutter and Shore Projects. The Committee bill provides insufficient funds for key acquisition programs that will allow for the recapitalization of aging assets. The level of funding provided for Fast Response Cutters will unnecessarily delay production and increase future costs by delaying purchase of the proprietary specifications that are needed to replace aging patrol boats. Further, the funding level for shore and housing projects will deprive Coast Guard families of suitable housing in duty stations where housing market shortfalls exist and eliminate high priority shore projects that directly affect operations.

Transportation Security Administration. The funding level in the Committee bill for the Transportation Security Administration's Federal Air Marshal Service will result in either reduced staffing in 2012 or curtailed domestic mission coverage on priority aviation flights. Further, the funding provided will not permit the deployment of 275 additional advanced imaging technology systems, which is an important tool for detecting both metallic and non-metallic threats as part of the aviation passenger screening process.

Federal Emergency Management Agency (FEMA) Disaster Relief Fund (DRF). The Administration will continue to closely monitor Disaster Relief Fund balances and work with the Congress to ensure Fund solvency. The Administration, however, strongly objects to proposed language that would direct the President to submit a budget amendment or supplemental appropriations request with associated offsets when the Fund dips below a certain threshold. The Administration would view this provision as advisory.

Headquarters Consolidation and Operation. The Committee bill would delay the consolidation of the Department of Homeland Security headquarters by at least two years, resulting in higher lease costs and will mean the loss of construction efficiencies and increased future construction costs. The funding provided in the bill for the Office of the Secretary and Executive Management would result in a reduction-in-force.

The Administration also has a number of serious constitutional concerns. The Administration strongly objects to the provisions of section 537 that limit the use of funds to transfer detainees and otherwise restrict detainee transfers. Although the Administration opposes the release of detainees within the United States, section 537 is a dangerous and extraordinary challenge to critical Executive branch authority to determine when and where to prosecute detainees, based on the facts and the circumstances of each case and our national security interests. It unnecessarily constrains the Nation's counterterrorism efforts and would undermine national security, particularly where Federal courts are the best – or even the only – option for incapacitating dangerous terrorists. For decades, presidents of both political parties have leveraged the flexibility and strength of this country's Federal courts to incapacitate dangerous terrorists and gather critical intelligence. The prosecution of terrorists in Federal court is an essential element of counterterrorism efforts – a powerful tool that must remain an available option.

The Administration strongly opposes any inclusion of ideological and political provisions that are beyond the scope of funding legislation. Should the Congress continue to include language that is not relevant to a funding debate, the Administration will oppose the bill.

The Administration looks forward to working with the Congress as the fiscal year 2012 appropriations process moves forward.

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