

## DHS BUDGET UPDATE: JULY 2018

**Trump threatens shutdown:** 100 days before the critical midterm elections, President Trump tweeted on [July 29](#) he is “willing to shut down the government” unless Congress funds his southern border wall and immigration priorities. FY 2018 appropriations run out September 30, raising fears of a funding clash that GOP leaders fear will harm their chances at the polls. Trump has warned of triggering a shutdown since March, when he reluctantly signed into law a FY 2018 funding package that didn’t support a wall or enforcement hiring surge. Republicans have never come close to passing Trump’s favored immigration policy changes, wall funding, or enforcement funding despite several attempts this year. [Trump has promised GOP leaders to avoid a pre-election shutdown at least twice in July](#), but he remains a wild card.

**House FY 2019 DHS funding bill aims to please Trump with \$5 billion border bonanza:** The House Appropriations Committee released their draft \$58.07 billion [FY 2019 Homeland Security funding bill](#) and [report](#) this month. The draft includes a staggering \$5 billion for border priorities, more than three times the amount provided in the [Senate’s funding bill \(S. 3109\)](#) and the White House’s FY 2019 budget request. The \$5 billion investment answers a late-in-the-game request from President Trump for his promised border wall, even though the Administration has never explained how it would spend the money. President Trump signaled his approval of this bill shortly after its introduction by endorsing House Appropriations Homeland Security Chairman Kevin Yoder (R-KS) as he faces a tough re-election fight in his swing district.

Not all Republicans, however, are onboard. At the House Appropriations Committee markup of this bill, Republicans accepted Democratic-sponsored amendments to delay President Trump’s termination of the Deferred Action for Childhood Arrivals Program (DACA), to roll back the Trump Administration’s new restrictions on asylum claims for crime victims, encourage alternatives to ICE detention, and speed up processing of green cards for eligible legal immigrants from China and India. [Conservatives criticized Yoder](#) for these bipartisan moves; Democrats criticized him after he promised to “fix” these provisions. Removing bipartisan provisions could cause even more problems for this bill if it ever reaches the more-moderate Senate, where Democrats have already rejected its \$5 billion border investment as a blank check to the Trump Administration.

A further obstacle for the bill is its sheer difference from the Senate bill. [Senate GOP appropriations leaders agreed](#) to consider boosting their bill’s border funds to match the House bill, but remain skeptical of providing such a huge chunk of funding without any White House justification. A long negotiation process lies ahead.

**CBP:** The House bill would pump more cash into CBP, following a \$1.8 funding increase last year (FY 2018) with a further \$3.76 billion infusion, bringing CBP’s funding to \$17.78 billion total in FY 2019. The House’s bill provides \$3.5 billion more than the Senate’s draft funding bill for CBP.

- Most of CBP’s funding increase goes to [CBP’s procurement, construction, and improvements \(PCI\) account](#): the total is \$5.5 billion, \$3.2 billion more than last year and \$3.6 billion above the request. Of this \$5.5 billion, \$5 billion goes to “Border Security Assets and Infrastructure,” \$301 million for “Trade and Travel Assets and Infrastructure;” \$142.24 million for “Integrated Operations and Infrastructure;” \$48.22 million for Construction and Facility Improvements; and \$18.54 million for “Mission Support Assets and Improvements.”
  - Per the bill’s report, \$3.27 billion is reserved for “border infrastructure,” including “over 200 miles of new barriers” along the southwest border. However, the bill lacks detail on how CBP would spend this funding, reflecting the Administration’s lack of a formal plan for this money.

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- The bill pumps up funding for non-intrusive inspection (NII) technologies, ordering CBP to embark on a five-year plan to finally achieve 100 percent scanning of all cargo, persons, and vehicles crossing the southern border by 2025. The bill provides a \$223 funding increase, or \$267.23 million total, for NII procurement compared to the \$44.7 million CBP requested earlier this year and \$174.23 million supported in the Senate’s bill. \$182 million of this NII funding increase is set aside for vehicle and cargo NII procurement, while a further \$41 million is set aside for canine screening. The committee orders CBP to provide briefings on all ongoing NII pilots. CBP must also provide quarterly updates on its NII technology procurements, and future NII contracts are to be awarded on a competitive basis.
- \$126 million is set aside for border security technology, including:
  - \$3 million: Cross Border Tunnel Threats;
  - \$10 million: continued efforts on “innovative towers”
  - \$40 million: Remote Video Surveillance System;
  - \$10 million: small unmanned aerial systems (sUAS), to include nano-UAS;
  - \$16 million: linear ground detection capabilities;
  - \$40 million: X-ray systems, hand-held detection systems for international mail facilities (IMFs)
  - \$20 million: “automated barcode reader technology to identify targeted packages at IMFs;”
  - \$15 million: Automated Commercial Environment enhancements
  - \$30 million: “one additional multi-role enforcement aircraft, to include a VADER sensor;” and
  - \$29 million: “one additional large-scale UAS, to include a ground station and an associated VADER sensor.”
- Report language encourages C additional deployments of a new “smart object detection sensors with machine learning and computer vision capabilities.”
- CBP’s Operations and Support account gets \$12.12 billion, a \$516.91 million increase over 2018.
  - **U.S. Border Patrol** (Border Security Operations): \$4.53 billion, a \$157 million increase over last year but \$225 million less than the Administration sought.
    - \$2.5 million reserved for testing sUAS with Mobile Surveillance Capabilities (MSC).
    - Existing law requires CBP to deliver by September 19 a “risk- based plan” for border security, “including the use of personnel, fencing, other forms of tactical infrastructure, and technology.”
    - Requires a briefing on the Border Patrol’s pilot Incident-Driven Video Recording Systems.
  - **Trade and Travel Operations**: \$4.62 billion, a \$302.25 million increase over last year.
    - \$13.8 million to establish the National Vetting Center.
    - \$25 million for tech upgrades at the ports of entry, including the Border Security Development Program (BSDP) surveillance system and license plate readers.
    - Requires a briefing on CBP’s pilot of automated cargo processing systems for tractor-trailers at the World Trade Bridge in Laredo, TX.
    - Urges CBP to improve management of surveillance technology and trade enforcement planning.
    - Orders a “detailed expenditure plan” for CBP’s biometric exit tracking deployment.
  - **Integrated Operations**: \$1.12 billion, a \$16.9 million increase. The bill provides \$31 million over the request to support increased Air and Marine Operations (AMO) flight hours, including equipment upgrades.
  - **Mission Support**: \$1.76 billion, a \$53.81 million increase. The report urges CBP to explore accelerated contract vehicles like Other Transaction Authority (OTA) and innovative commercial solutions authority to speed acquisition of new border security technologies. The bill also encourages CBP to consult with private industry to better inform border security technology requirements.

**ICE:** \$8.29 billion, a \$327 million increase from last year but \$888.02 million less than requested. The Senate’s bill provided \$7.21 billion for ICE.

- The House underfunds ICE's Enforcement and Removal Operations request by \$979.6 million but still supports hiring 400 new ICE personnel and adds 3,480 detention beds to a total of 44,000. The committee's report appears sensitive to recent public criticism of ICE, reminding the agency to prioritize criminal immigrants for removal and to be mindful of "sensitive" locations like schools and hospitals while conducting enforcement. The bill also orders a slew of reports and reviews related to immigrants' treatment in detention.
- Homeland Security Investigations (HSI) are funded at \$1.88 billion, a \$275 million increase over last year. \$1.3 million of this money is set aside for a multi-agency data sharing platform, and \$20 million supports the multi-agency Biometric Identification Migration Alert Program (BITMAP) tracking potential threat actors.
- ICE's Procurement, Construction, and Improvement is funded at \$70.43 million, an \$11.47 million cut from 2018.

**TSA** is funded at \$7.23 billion, an \$81.98 million increase over the Administration request but a \$77.19 million cut from last year. This amount includes a \$2.2 million increase over the TSA's request to support expanded air cargo screening.

- TSA's Procurement, Construction, and Improvement is funded at \$139.63 million, a \$9.84 million cut from last year and \$37.52 million less than the request. This amount includes a \$20 million increase over the request to speed deployment of 240 computed tomography (CT) scanners for carry-on bags. The report orders TSA to launch a pilot evaluating "enhanced object recognition software" applying machine learning to existing baggage screening technology.
- TSA's Research and Development is funded at the requested level of \$20.59 million, a \$404,000 increase.

**Coast Guard:** funded at \$9.3 billion. \$1.43 billion is set aside for procurement, a \$1.26 billion cut from last year and \$457 million less than the Administration's request. Per a Committee summary, the Coast Guard's procurement funding in the bill supports "acquisition of the second Offshore Patrol Cutter, six Fast Response Cutters, an HC-130J aircraft, UH-60 recapitalization, follow-on costs for the ninth National Security Cutter, and facility improvements at multiple locations throughout the United States." However, Democrats pointed out that this bill does not provide a requested \$750 million for a new polar icebreaker. The Senate's version of this bill, in contrast, sets aside \$2.16 billion for procurement including funding for an icebreaker.

Other bill highlights:

- **Science and Technology Directorate:** funded at \$802 million, \$218.9 million over the request but a \$38.78 million cut from last year. The report scolds the Trump Administration for seeking massive cuts to S&T, especially its research and development activities.
- **FEMA:** funded at \$12.3 billion, a \$582.23 million cut from last year but \$706.1 million above the request. \$7.2 billion of this amount is discretionary funding. \$3.1 billion is set aside for state and local preparedness grants, a \$62 million request over last year and \$711 million over the request. FEMA's procurement budget stays level at \$103.35 million, \$18 million more than the request.
- **National Protection and Programs Directorate (NPPD):** funded at \$1.82 billion, a \$23 million increase and \$113.41 million more than requested. Funding increases are spread through the agency, with \$760.23 million is reserved for cybersecurity; \$215.8 million for infrastructure protection; \$117.69 million for emergency communications; and \$147.99 million for integrated operations. The Office of Biometric Identity Management is funded at the requested level of \$230.28 million. NPPD's procurement budget gets a \$65 million increase to \$367.96 million.
- **Countering Weapons of Mass Destruction (formerly Domestic Nuclear Detection Office/Office of Health Affairs):** funded at \$434.26 million. The office's procurement budget is \$774.89 million, with \$24.05 million set aside for the Radiation Portal Monitor (RPM) program, \$47.75 million for RPM replacement, and \$3.1 million for the International Rail program. The account also provides \$80.44 million for research and development level funding from last year.