SPECIAL REPORT:
FY 2015 Department of Homeland Security Budget and California Implications

DEPARTMENT OF HOMELAND SECURITY
The President’s FY15 Budget provides $44.6 billion in net discretionary funding, including $38.2 billion in non-FEMA disaster relief budget authority for the Department of Homeland Security to protect the Nation from terrorist attacks, address critical capital needs, and carry out core homeland security functions such as transportation security, cybersecurity, disaster preparedness, and border security.

Transportation Security Administration
TSA's FY 2015 budget request of $7.3 billion reflects a total gross discretionary decrease of $59.4 million from FY 2014. The FY 2015 budget request includes several policy and program changes aimed at ensuring TSA's continues to grow into a high-performing counterterrorism organization that applies intelligence-driven, risk-based security (RBS) principles across all operations, according to the Budget documents.

Aviation Security
The Budget proposes $5.683 billion in discretionary and mandatory resources for the Transportation Security Administration's aviation security efforts, which is a $700 million increase from the enacted FY 2014 budget. TSA's request includes two proposals to increase offsetting revenue collections by $615 million through increasing the Aviation Passenger Security Fee and continuing to collect the Air Carrier Fee. The passenger fee proposal raises the fee for a one-way trip from $5.60 to $6.00, generating an additional $195 million in offsetting collections. The air carrier proposal reinstates the fee at the previous amount of $420 million.

Surface Transportation Security
The Budget proposes $128 million for surface transportation security activities, which is a $19 million increase from the enacted FY 2014 budget.

Federal Law Enforcement Training Center
For FY15, the Budget requests total budget authority of $260 million, an increase of $865,000 from the FY14 enacted budget. The Center, in addition to providing law enforcement training to federal personnel, provides training to State and local law enforcement personnel on a space-available basis.

Citizenship and Immigration Services
The Budget requests $3.26 billion of total budget authority for CIS, including $134 million in discretionary appropriations, compared to the FY14 enacted discretionary funding of $116 million. Of that funding, $124.8 million is for the E-Verify Program. The Budget documents state that at the end of
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FY 2013, 482,692 employers were enrolled in E-Verify and the program continues to grow by approximately 1,500 new employers each week. The Budget assumes that USCIS will continue to be funded primarily through fees on the applications and petitions it adjudicates.

**Immigration and Customs Enforcement**

The FY15 Budget proposes approximately $5.359 billion in total budget authority for ICE, including $5.014 billion in gross discretionary funding, which is $255 million less in gross discretionary funding than the FY14 enacted levels.

**Customs and Border Protection**

The Budget proposes $13.097 billion in total budget authority for program and financing for the CBP, a $650 million increase from enacted FY14 levels. This includes a proposed gross discretionary funding of $11.2 billion, an increase of $519 million from FY14. This includes a proposal to fund border security fencing, infrastructure, and technology at $362,466,000.

**United States Visitor and Immigrant Status Indicator**

The biometric identity management functions ($232.4 million) of US-VISIT have been transitioned to the newly established Office of Biometric Identity Management within the National Protection and Programs Directorate. This transition also included the transfer of the overstay mission ($19.9 million) in whole to Immigration and Customs Enforcement and the entry/exit policy and operations ($12.3 million) to Customs and Border Protection. No separate funding has been requested.

**Federal Emergency Management Agency**

**State and Local Programs**

The Budget calls for $2.225 billion in funding for State and local programs, which is an increase of $725,469,000 from FY14. The Budget re-proposes the National Preparedness Grant Program (NPGP), which would consolidate stand-alone state and local grant programs, with the purpose of achieving the National Preparedness Goal through the protection of critical infrastructure and key resources, the development and sustainment of capabilities, including nationally deployable resources to prevent and protect against terrorism and to respond to, recover from, and mitigate against all hazards, according to the Budget documents. The Budget would no longer fund the Firefighter Assistance Grants ($680 million from FY14) or the Emergency Management Performance Grants ($350 million from FY14).

**Disaster Relief Funding**

Through the Disaster Relief Fund (DRF), FEMA provides a significant portion of the total Federal response to Presidentially-declared major disasters and emergencies. As part of total DHS funding, $6.4 billion for the Disaster Relief Fund (DRF) is provided separately from discretionary amounts, pursuant to the Budget Control Act of 2011 (BCA). The Budget proposes $10.2 billion to support disaster resiliency, primarily through the grants programs that are administered by FEMA and the Disaster Relief Fund (DRF), which includes $2.2 billion in total grants funding to prepare state and local
governments to prevent, protect against, respond to, and recover from incidents of terrorism and other catastrophic events, as well as Firefighter and Emergency Management Performance Grants that support local first responders in achieving their missions, and $7 billion in DRF funding to provide immediate and long-lasting assistance to individuals and communities stricken by emergencies and major disasters.

The National Flood Insurance Program (NFIP), which is fully funded by policy fees and premiums, helps to reduce the risk of flood damage to existing buildings and infrastructure by providing flood-related grants to states, communities, and tribal nations. The FY 2015 Budget reflects continued implementation of the Biggert-Waters Flood Insurance Reform Act of 2012. The Act aims to improve fiscal soundness by phasing out subsidies that are not actuarially sound. In addition, the Act establishes a reserve fund to be used for the payment of claims and claims-handling expenses as well as principal and interest payments on any outstanding Treasury loans. The Budget includes $4.5 billion of mandatory budget authority, of which $150 million will be used for flood mitigation grants to increase America's resiliency to floods.