

Table of Contents

Bill Summary

1. **Sunshine** – Requires all earmarks and directives to be included in the final bill language to be considered as being passed by both chambers of Congress
2. **Disclosure** – Requires public disclosure of all reports provided to Congress and the Department budget justifications on DHS' website
3. **Outdated Navigation System Funding** – Prohibits funding for the continuation of the outdated LORAN navigational system
4. **Training Grants** – Cuts \$25 million from DHS's Demonstration Training Grants Program
5. **Improper Payments** – Directs \$1 million in additional funding to the Office of the Chief Financial Officer for the purposes of complying with the Improper Payments Information Act of 2002

Amendment 4562 -- Requires that any limitation, directive, or earmarking be included in the bill's conference report.

BACKGROUND

Some appropriation bills allow for earmarks or special projects and other directives included in the House version of an appropriations bill to be automatically approved by the Senate without being mentioned within the Senate version of these bills or their accompanying reports.

The following language is included in the Senate Committee report for the fiscal year 2007 Interior, Environment and Related Agencies Appropriations bill (Report 109-275, page 8): "Any limitation, directive, or earmarking contained in either the House or Senate report which is not contradicted by the other report nor specifically denied in the conference report shall be considered as having been approved by both Houses of Congress."

Such language has, consequently, enabled many earmarks to become law without being voted on or approved by the Senate. This process has been used to hide millions of dollars of pork spending from the public.

While the DHS appropriations bill does not contain this language, it is important that the Senate is on record opposing such legislative shell game tactics that conceal how Congress spends tax dollars.

Taxpayers and members of Congress deserve to know what programs are being funded in all appropriations bills. Despite an incredible expansion in our economy and resulting record-high tax receipts, our country is sinking further into debt and has now amassed a deficit of \$8.2 trillion.

This amendment will ensure that every earmark or directive must be included in the final Homeland Security Appropriations bill and approved by both Chambers of Congress. This will enable further transparency and debate on all spending in this appropriations bill and provide the American taxpayer an additional safeguard that their money is not wasted on unnecessary projects that jeopardize the

nation's fiscal health and the living standard of their children and grandchildren.

The Senate previously accepted this same amendment by a vote of 55- 39 to the FY06 Agriculture Appropriations bill. It has also been accepted by unanimous consent to FY06 appropriations bills for Military Construction, the Department of Defense, Transportation, and Labor, Health, and Human Services.

Amendment 4561 – Requires public disclosure of all reports delivered to the Appropriations Committee, including the justifications of the President’s annual budget request, by the Department of Homeland Security unless such reports contain information that would compromise national security.

This amendment requires the annual justifications of the President's budget request and all reports directed to be provided to the Appropriations Committees by the Department of Homeland Security (DHS) and its component agencies in H.R. 5441 (and its accompanying reports) be posted on the Department’s website within 48 hours of being delivered to the Appropriations Committees unless such information compromises national security.

Over 40 reports are required by the 2007 DHS appropriations bill

The fiscal year 2007 DHS appropriations bill requires over 40 reports to be prepared and delivered to the Appropriations Committees. In addition, DHS provides the Appropriations Committees with annual justifications for the Administration’s budget proposals that outline how funding has been spent in previous years and what agency priorities are planned for future years. These reports and justifications are not readily available to other members of Congress or the public.

Few of these reports contain sensitive information involving national security but do contain information that may be of interest to the public, the media or lawmakers who are not members of the Appropriations Committee.

In the interest of transparency and accountability, this information should be available. Certainly taxpayers, the media, and every member of Congress should have access to every Department’s budget justifications. This is particularly true for DHS which has received considerable attention since its creation for misuse of federal homeland security funds. It is important that lawmakers are aware of actions being taken by the Department to ensure the

integrity of these funds and to demonstrate how federal resources will be spent in the future.

The Senate report scolds DHS for releasing reports to the public

The Senate Committee report for the 2007 DHS appropriations actually scolds the Department for providing the public with information that the Department was directed to compile for the Appropriations Committees: “The Committee is deeply disappointed in the actions taken by the Department to combine the reporting requirements of this Committee with other reports, and then release the results of those reports publicly, prior to submission to the Committee. Reports to the Committee are not expected to be turned into publicity events again in the future (Report 109-273, Page 70).”

While it is reasonable to expect that these reports would be submitted to policy makers prior to being released to the public, it is wrong to chastise the Department for making these reports available to the public and the media. The Department should be applauded for providing this information and directed to make it a standard practice to share all reports that do not compromise national security with the public.

Annual budget justifications should be available to those who pay the taxes, not just those who spend taxes

Every Department annually provides budget justifications to the Appropriations Committees but not necessarily to other members of Congress or the public. The policy of providing justifications of the President’s budget only to the appropriators reinforces the culture that has led to the earmark “favor” factory reputation of the Appropriations Committees, unaccountable decision making, spending on dubious projects, authorizing on appropriations bills, and other headline grabbing misuses of federal funds.

Last year, the Senate Federal Financial Management Subcommittee (of the Senate Committee on Homeland Security and Government Affairs) requested the budget justifications from every Department

that were provided to the Appropriations Committees. After much prodding, most agencies did agree to deliver the justifications. Several actually only did so after obtaining the “permission” from the Appropriations Committees first (DHS was among the quickest to provide the Department’s justifications).

While the Subcommittee eventually received the documents that were provided to the Appropriations Committee, we did so in a manner that the public would not be able to do. It required a massive amount of staff time and effort to extort these documents. Many members of Congress are not even aware that these documents exist and few are likely to have actually read them despite the fact that they contains detailed explanations of the operations, priorities and goals of every department.

The only conclusion one can draw from how difficult it is to obtain the justifications of the Departments’ budget justifications is that the budget request are NOT justifiable, or that there is something being kept hidden from the public, the media and members of Congress. The same is true of the other reports that DHS and other Departments are directed to provide to the Appropriations Committees in the annual spending bills.

The Federal Financial Management Subcommittee will continue to request these documents every year and just through whatever hoops we must to obtain them. The public and the media, however, will continue to be denied these government documents that do not contain classified information unless this amendment is approved.

If we are truly to have a “government of the people, by the people, for the people,” then the routine operations of the government must no longer be concealed or kept hidden from the people.

Budget justifications should be available to those who pay the taxes, not just those who spend our taxes.

Some reports are used to coerce agencies to spend funds on dubious programs

The 2007 Senate DHS appropriations report directs the Department, in consultation with the Secretary of Transportation, to “submit a report to the Appropriations Committee and the Commerce Committee regarding the future of the LORAN system. The report shall include an analysis of the costs and benefits of the LORAN system, the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System. The report shall be submitted to the Committees within 180 days of enactment of this act.”

LORAN is an outdated and rarely used navigation system that utilizes radio signals to determine a shipping vessel’s longitude and latitude. There are 24 LORAN stations across the U.S., six of them are in Alaska.

Since 1997, approximately \$160 million has been appropriated to the Federal Aviation Administration (FAA) to recapitalize LORAN, of which \$117.5 million has been transferred to the Coast Guard. It is estimated that it will take another 6-10 years and more than \$300 million to complete the recapitalization.

A 2005 Federal Radionavigation Plan, the official source of radio-navigation policy and planning for the Federal Government prepared by the Departments of Defense, Transportation and Homeland Security, concluded that LORAN was no longer needed as a positioning, navigation or timing aid for military use.

The FAA has determined that sufficient alternative navigational aids exist and LORAN is not needed as a back-up navigation aid for aviation users.

The Maritime Administration has determined that there would be no disruption in the movement of vessels in and out of U.S. ports without LORAN. The Federal Railroad Administration has stated they have no need for LORAN.

The United States Coast Guard has determined that sufficient back-up are in place to support safe maritime navigation and LORAN is not needed as a back-up navigational aid for maritime safety.

DHS, likewise, has determined that LORAN is not needed as a back-up for timing users, as adequate alternatives are already in place.

Despite these recommendations by DHS and other agencies to terminate operations at LORAN stations, Senator Stevens of Alaska inserted a provision in the 2007 DHS appropriations report to deny the Departments request to do so and directed DHS to compile a report outlining the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System.”

Directing DHS to come up with a report of excuses to justify spending hundreds of millions of dollars to continue an outdated navigational system is not an appropriate use of tax dollars. Any report should be disclosed and include the costs and benefits of continuing the LORAN system so an open and public debate can occur.

The same is true of the other reports directed to be completed by DHS for the Appropriations Committee.

This amendment ensures greater transparency and accountability of taxpayer funds

This amendment will lift the veil of secrecy around these documents that should be available to every member of Congress who is responsible for approving funding levels for DHS and every other federal department and agency and to the public that provides the funding in the first place. This will provide greater transparency and accountability of federal funding and ensure that the taxpayers, rather than only Washington insiders and bureaucrats, can decide if federal funding and priorities are justifiable.

Reports required to be submitted to the Appropriations Committee by the 2007 Senate DHS report

The following is a list of DHS reports directed to be prepared by report 109-273 and delivered to the Appropriations Committees:

Long Range Aids to Navigation [Loran]-C.—The Committee denies the request to terminate operations at LORAN stations nationwide and directs the Secretary to refrain from taking any steps to reduce operations at such stations. The Committee further directs the Secretary, in consultation with the Secretary of Transportation, to submit a report to the Appropriations Committee and the Commerce Committee regarding the future of the LORAN system. The report shall include an analysis of the costs and benefits of the LORAN system, the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System. The report shall be submitted to the Committees within 180 days of enactment of this act.

Base Realignment and Closure.—The Senate report accompanying the Department Homeland Security Appropriations Act, 2006 (Public Law 109–90) required the Department to submit a report describing the impact on Department of Homeland Security facilities and activities of the closure or realignment of any Department of Defense base as a result of the base realignment and closure law. Despite a due date of February 10, 2006, this report has not been submitted. The Committee still expects to receive this report. In addition, the report should be updated to include cost estimates from fiscal year 2007 to fiscal year 2011 for any construction, consolidation, relocation or other expenses to affected Department of Homeland Security facilities, assets, or activities due to Defense Department base closures or realignments.

Contract Staffing Report.—The Committee received the Department’s report dated January 26, 2006, on the number of contract staff occupying positions budgeted to be filled by Federal employees. The report indicates a decrease of this type of contract staff from fiscal year 2004 to fiscal year 2005. The vast majority of contract staff still filling government positions (73 of 109) is in the Customs and Border Protection (CBP), Office of Field Operations. The Committee is concerned by the CBP section of the report which states, “There are no plans in place to reduce contractor staff.” The Committee expects the Department to make progress in replacing these contract staff personnel with Federal employees. As such, the Department is directed to submit an updated report no later than February 8, 2007, containing data for fiscal year 2006 and projected for fiscal year 2007, and plans to reduce these types of contract employees in the future.

Office of the Federal Coordinator for Gulf Coast Rebuilding.—The Office of the Federal Coordinator for Gulf Coast Rebuilding was established contrary to section 809 of Public Law 109–115 and section 503(a) of Public Law 109–90. The Department is directed to submit to the Committee by September 1, 2006, a report detailing the specific authorities used to establish this office and the agency or component that is providing the funding. In addition, the Committee includes bill language prohibiting funding for the office until the Department submits a reprogramming request for fiscal year 2006 funding and a budget request and expenditure plan for fiscal year 2007 for this office.

Policy on Tunnels Along the Border.—The Committee is concerned with the Department’s lack of a clear policy regarding which agency is responsible for securing, closing, and, ultimately, filling tunnels which are discovered crossing under our land borders. It appears decisions regarding the handling of tunnels are made on an ad hoc basis depending on which agency discovers the tunnel and has the resources to fill it. With nearly four dozen known tunnels along our borders, it is imperative a policy regarding tunnels be developed. The Committee directs the Secretary to develop a policy regarding tunnels, including identifying the responsible agency and the source of funds to be used to close and fill tunnels, and report to the Committee on this policy not later than February 8, 2007.

Slow Pace for Grant Awards.—The Committee continues to be disappointed with the Department’s pace for awarding homeland security grants, including grants for port security, intercity bus security, pre-disaster mitigation, buffer zone protection, firefighter (SAFER Act) hiring, and rail/mass transit security. The Committee notes that none of the funds made available to the Department on October 18, 2005, for these programs have been awarded to date and in some cases not even made available for application. The Committee further notes the report the Committee required in House Report 109–241 accompanying the Homeland Security Appropriations Act, 2006 (Public Law 109–90) establishing an expedited schedule for fiscal year 2006 grants has not been submitted to the Committee to date, despite a due date of February 10, 2006. The Committee directs the Department to prepare a report by November 1, 2006, that lays out an expeditious and responsible schedule for making grants for the funds made available by this act. If any funds are to be awarded after March 30, 2007, the Department should provide a detailed explanation for the delay.

Office of the Chief Procurement Officer.—The Committee fully funds the budget request for the Office of the Chief Procurement Officer. The Committee directs the Chief Procurement Officer to use the increase for hiring and training of qualified procurement officers. The Senate report and the Statement of Managers accompanying the Department of Homeland Security Appropriations Act, 2006 (Public Law 109–90) requires the Department to submit to the Committee a report on the adequacy of the number and training of procurement officers in the Department. Despite a due date of February 10, 2006, this report has not yet been received. The Department is directed to expedite the delivery of this report and include in the submission, the data for fiscal years 2004, 2005, 2006, and proposed for fiscal year 2007.

Human Resources System (MAX HR).—The Committee recommendation includes \$35,000,000, an increase of \$5,300,000 from the fiscal year 2006 level, to support the design, detailed program development, and deployment of the new DHS human resources management system. The Committee recommendation does not provide the funding level proposed in the budget due to ongoing litigation. The Secretary of Homeland Security is directed to submit an updated expenditure plan to the Committees on Appropriations of the Senate and House of Representatives within 90 days after the date of enactment of the act, based on the final fiscal year appropriation. The report shall list all contract obligations, by contractor and year, along with the purpose of the contract.

Budget Execution Report.—The Committee includes bill language requiring the Department to continue submitting 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. The report should 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.

Unobligated Balances.—The Senate report and the Statement of Managers accompanying the Conference Report on the Department of Homeland Security Appropriations Act, 2006 (Public Law 109–90) required the Department to submit to the Committee on Appropriations a report listing all funds transferred to the Department when it was formed that remain unobligated, the purpose for which the funds were appropriated, the reason the funds remain unobligated, and the Department’s plan for use of these funds. Despite a due date of February 10, 2006, this report has not yet been received. The Department is directed to expedite the delivery of this report.

Evaluation of DHS Intelligence Systems.—The Committee directs the Chief Intelligence Officer to report no later than 90 days after the date of enactment of this act on efforts to address concerns reported in the Office of Inspector General Report OIG–05–34.

People Access Security Service [PASS] Card.—The Committee directs the Secretary of Homeland Security, jointly with the Secretary of State, to submit no later than 30 days after the date of enactment of this act a report on the current status of the selection of the architecture for the Western Hemisphere Travel Initiative document known as PASS card and whether the agencies can meet the legislative implementation deadlines. In addition, the Department of Homeland Security [DHS] should identify for the Committee the budget for implementation of this program, including PASS card readers at the ports of entry [POEs]; necessary infrastructure improvements at the POEs; and training for DHS and other Federal government staff. Language is included in the bill regarding deadlines and implementation requirements for the PASS card.

Resource Allocation Model.—A Government Accountability Office [GAO] report (GAO–05–663) states “CBP does not systemically assess the number of staff required to accomplish its mission at ports and airports nationwide.” The Committee directs CBP to submit by February 8, 2007, a resource allocation model for current and future year staffing requirements. The report should assess optimal staffing levels at all land, air, and sea ports of entry for fulfillment of all CBP missions. CBP should consult with appropriate non-Federal partners, such as airport operators and port authorities, regarding estimated future passenger growth and throughput as well as issues such as automatic secondary inspection requirements.

Further, the Committee directs CBP to submit a separate report on resources allocated to the Santa Teresa, New Mexico, port of entry, including an analysis of the impact of expanding the hours of commercial operations from 10 hours per day to 16 hours per day.

Vehicle Fleet Management.—The Committee directs an updated vehicle fleet management report be submitted by February 8, 2007, which includes details on the numbers and types of new and replacement vehicles CBP procured in fiscal year 2006 and intends to procure in fiscal year 2007, as well as details on the gap, if any, between existing vehicles and actual requirements resulting from increased CBP hiring.

Anti-Dumping Enforcement.—The Committee has ensured, within the amounts provided for this account, the availability of sufficient funds to enforce the anti-dumping authority contained in section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c). The Committee directs CBP to continue to work with the Departments of Commerce and Treasury, and the Office of the United States Trade Representative (and all other relevant agencies) to increase collections and to provide an annual report within 30 days of each year's distributions under the law summarizing CBP's efforts to collect past due amounts and increase current collections, particularly with respect to cases involving unfairly-traded Asian imports. The Committee directs CBP to update that report, in particular, by breaking out the non-collected amounts for each of the fiscal years 2004, 2005, 2006, 2007, and each year thereafter, by order and claimant, along with a description of each of the specific reasons for the non-collection with respect to each order. CBP is also directed to provide the Committee on Appropriations with prior notice of (1) how CBP plans to clarify or provide guidelines for the preparation of Continued Dumping and Subsidy Offset Act [CDSOA] certification of claims; and (2) any modifications or revisions of regulations that may be proposed by CBP concerning CDSOA. CBP is also directed to report to the Committee on Appropriations no later than February 8, 2007, with specificity on what it has done to (1) formalize plans for managing and improving CDSOA program processes, staff, and technology; (2) develop and execute a human capital plan; and (3) develop a process for systematically verifying claims in accordance with the third and fourth recommendations made in GAO-05-979 "International Trade: Issues and Effects of Implementing the Continued Dumping and Subsidy Offset Act," dated September 2005.

Investigations, Worksite Enforcement.—Included in the amount recommended by the Committee is \$57,910,000, an increase of \$19,681,000 from fiscal year 2006 level, to enhance resources devoted to worksite enforcement. The Committee is discouraged by the slow pace with which ICE has approached the worksite enforcement program. A significant expansion of this program is funded for the current fiscal year, with the expectation ICE report to the Committee on the planned use of those resources. No plan has been submitted. Given the critical importance of this program, the Secretary is directed to submit to the Committee the plan for the fiscal year 2006 worksite enforcement resources forthwith.

Detention and Removals Reporting.—The Committee continues to request ICE to submit a quarterly report to the Committee which compares the number of deportation, exclusion, and removal orders sought and obtained by ICE. The report should be broken down by district in which the removal order was issued; by type of order (deportation, exclusion, removal, expedited removal, and others); by agency issuing the order; by the number of cases in each category in which ICE has successfully removed the alien; and by the number of cases in each category in which ICE has not removed the alien. The first fiscal year 2007 quarterly report is to be submitted no later than January 30, 2006.

Reducing the Number of Alien Absconders.—The Committee last year directed the Department, in conjunction with the Department of Justice, to submit a report by February 18, 2006, on the efforts each Department will take to reduce the absconder rate, including proposed changes to existing policies, procedures, and laws to further assist in reducing the absconder population. The Department has yet to submit this report. The Committee directs the Department to submit the report as expeditiously as possible.

Detainee Bonds.—ICE and organizations that issue bonds for detainees could improve cooperation in order to more effectively reduce the number of aliens who abscond after the issuance of final Orders of Removal. ICE is to submit a report to the Committee by February 8, 2007, on how to improve information sharing and cooperation with bondholders.

Detention of Unaccompanied Minors.—The Committee remains concerned about reports of unaccompanied alien minors who are not being transferred in a timely fashion to the Office of Refugee Resettlement [ORR]. The Committee directs ICE, in conjunction with CBP, to submit a report by

February 8, 2007, detailing by month for each of fiscal years 2005 and 2006, the number of unaccompanied alien minors detained by DHS for 72 hours or less, the number detained more than 72 hours, and an explanation for each minor held in DHS custody longer than 72 hours. Further, the report should include recommendations of actions to improve the coordination between DHS and ORR.

Separation of Families.—The Committee is concerned about the continued separation of families detained by the Department. The Committee directs ICE to submit a report by February 8, 2007, assessing the impact of the Hutto Family Center in Williamson, Texas, on the number of families required to be separated, and providing updated forecasts of family detention space needs for the next 2 years.

Colorado Springs, Colorado.—The Committee directs ICE to submit a report by February 8, 2007, on the costs and need for establishing a sub-office in Colorado Springs, Colorado.

The Committee includes bill language requiring the Secretary to provide the Committees on Appropriations of the Senate and House of Representatives a report in response to the findings of the Department's Office of Inspector General's report (OIG-04-44) concerning contractor fees.

The Committee directs TSA to report no later than February 8, 2007, on findings from interviews of TSOs leaving the TSA workforce. The report shall include a strategy on how the retention initiative funding will reduce TSO attrition rates to a more manageable level. The Committee is also concerned with the rising costs of worker injuries and encourages TSA to aggressively reduce injury costs through strategies of prevention, education, case management, and nurse intervention.

Explosive Detection Systems [EDS]/Explosive Trace Detection [ETD] Maintenance.—The Committee recommends \$210,000,000, an increase of \$12,000,000 from the fiscal year 2006 level and a decrease of \$24,000,000 from the level proposed in the budget for EDS/ETD maintenance. The Committee is encouraged by the savings that TSA has achieved in per-machine maintenance costs and urge TSA to continue to work aggressively with the workforce and contractors to lower these costs. The Committee includes bill language limiting the obligation of \$25,000,000 until the Department provides a report to the Committee in response to the findings in

the Department's Office of Inspector General's report (OIG-04-44) concerning contractor fees.

The Committee is concerned that the TSA estimate of eligible reimbursable costs included in the LOI agreement for the Los Angeles and Ontario international airports differs substantially from the revised estimate submitted to TSA by the airport sponsors last year. The Committee directs GAO, 45 days after enactment of the act, to report to the Committee and the Secretary a correct estimate of eligible costs and to provide a detailed explanation of the reasons for any differences from the original estimate, including identification of and the party responsible for any material mistakes, omissions, and infeasible design concepts in the original estimate.

The Committee expects TSA to provide the funding necessary for the National Explosives Detection Canine Team Program to meet its goal of canine teams devoting approximately 25 percent of their airport utilization time to screening cargo. The Committee directs TSA to submit a report to the Committee no later than February 8, 2007, on efforts to achieve this goal.

The Committee includes bill language directing the Secretary of Homeland Security to research, develop, and procure new technology to inspect and screen air cargo carried on passenger aircraft at the earliest date possible. Existing checked baggage explosive detection equipment and screeners shall be utilized to screen air cargo carried on passenger aircraft to the greatest extent practicable at each airport until such technologies are available. The language also requires the Department to report air cargo inspection statistics quarterly to the Committee, by airport and air carrier, including any reasons for non-compliance with the second proviso of section 513 of Public Law 108-334, within 45 days after the end of the quarter.

Within 30 days of the close of each quarter of the fiscal year, the Coast Guard shall report personnel expenditures associated with each AC&I program, project, and activity as displayed in the Comparative Statement of New Budget Authority for Fiscal Year 2007 located in the back of this report.

Long Range Aids to Navigation [Loran]-C.—The Committee denies the request to terminate operations at LORAN stations nationwide and directs the Secretary to refrain from taking any steps to reduce operations at such

stations. The Committee further directs the Secretary, in consultation with the Secretary of Transportation, to submit a report to the Appropriations Committee and the Commerce Committee regarding the future of the LORAN system. The report shall include an analysis of the costs and benefits of the LORAN system, the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System. The report shall be submitted to the Committees within 180 days of enactment of this act.

Quarterly Acquisition and Mission Emphasis Reports.—The Commandant is directed to continue to submit the quarterly acquisition and mission emphasis reports to the Committee consistent with the deadlines articulated under section 360 of Division I of Public Law 108–7.

The Committee expects the Coast Guard to move forward with the relocation and rebuilding of the Gulfport Coast Guard Station, in coordination with State and local officials at the earliest date possible and to submit to the Committee a report detailing the full design, construction, and equipment cost for the new facility by February 8, 2007.

The Committee recommends total resources of \$3,854,538,000. The Committee encourages the Department to continue to place emphasis on regional strategies to ensure that the Nation’s communities are prepared, trained, and engaged in the event of a disaster. The Committee applauds the Department’s efforts in the creation of the National Infrastructure Protection Plan [NIPP] and expects the Office for Domestic Preparedness [ODP] to operate critical infrastructure programs in a manner consistent with the NIPP. The Committee is frustrated that ODP, to date, has not issued the final National Preparedness Goal [NPG], as required in Public Law 109–90 by December 31, 2005. The Committee directs the Secretary to provide a report by February 8, 2007, explaining why NPG is delayed, when it will be published, and what substantive improvements have been made to NPG in the interim. The following table summarizes the Committee’s recommendations

In addition, the Committee includes bill language requiring the Government Accountability Office [GAO] to review the validity, relevance, reliability, timeliness, and availability of the risk factors (including threat, vulnerability, and consequence), and the application of those factors in the allocation of funds provided to ODP, and to report to the Committee no later than 45 days

after enactment of the act on the results of the review. The Department is required to provide GAO with the necessary information within 7 days after enactment of this act to ensure this review does not impact the allocation of grants to State and local entities.

National Domestic Preparedness Consortium [NDPC].—The Committee directs ODP to prepare a long-range strategic plan for NDPC. This plan should incorporate the input of each of the existing Consortium members and shall be submitted to the Committee on February 8, 2007. The plan shall include, but not be limited to, projected future training demand, capacity, and performance measures for each Consortium member and the Consortium as a whole. The report shall also include recommendations, if any, for the possible expansion of the program. The Committee is aware of proposals to expand the program to include emergency preparedness within the railroad and mass transit environment and to reduce the risks associated with natural disasters. The NDPC program is authorized by Public Law 107–273, section 5002.

Use of Funds.—The Department is to submit a report to the Committee by February 8, 2007, detailing what State and local governments have purchased with fiscal year 2006 homeland security State and local assistance grants; whether these expenditures have complied with State homeland security plans; and how homeland security has been enhanced by such expenditures.

The Committee recommends total appropriations of \$525,056,000 for Infrastructure Protection and Information Security [IPIS] programs. The Committee includes bill language directing the Secretary to submit to the Committee the report required in the statement of the managers (House Report 109–241) accompanying Public Law 109–90 on resources necessary to implement mandatory security requirements for the Nation’s chemical sector and to create a system for auditing and ensuring compliance with the security standards.

Backlog Elimination.—The Committee directs CIS to continue to report quarterly on the status of application processing and the backlog reduction plan.

Budget Submission.—The Committee understands in May 2006 other agencies identified in DNDO’s global strategy for domestic nuclear

detection were required to submit their five-budget projections to DNDO. Developing a crosscut of all agencies involved in the global strategy is critical to the success of its mission. DNDO is directed to report to the Committee no later than November 1, 2006, on the budget crosscut. The budget crosscut should include investments of all entities, how these investments will meet the goals of the global strategy, the performance measures associated with these investments, identification of investment gaps, and what budgetary mechanisms DNDO will have in place to ensure appropriate and adequate resources are requested.

Radiological and Nuclear Forensic and Attribution program.— The Committee provides \$8,450,000, instead of \$16,900,000 as proposed in the budget, for the Radiological and Nuclear Forensic and Attribution program. The Committee is aware this program is jointly managed by the Department of Homeland Security and the Federal Bureau of Investigation [FBI] and believes the FBI should contribute half of the funding for this program. The Committee understands this program seeks to establish a network of laboratories and facilities for a national nuclear forensic capability. DNDO is to report to the Committee no later than February 8, 2007, on the selection process of the laboratories and facilities and how each one will enhance the Nation's nuclear forensic capability.

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 current and future-year appropriations requirements. Each request submitted to the Committee should include a detailed table showing the proposed revisions at the account, program, project, and activity level to the funding and staffing (full-time equivalent position) levels, as compared to program, project, and activity levels reflected in the table in the statement of managers accompanying the conference report on the fiscal year 2007 appropriations Act as well as the impact on appropriations requirements for each future fiscal year.

The Committee directs GAO to continue to evaluate Department of Homeland Security actions to meet the 10 elements listed in section 522 of Public Law 108–334 and to report to the Committee, either incrementally as DHS meets additional elements, or when all elements have been met.

Amendment 4585– None of the amounts made available to Coast Guard shall be used for the continuation of operations at LORAN stations nationwide.

BACKGROUND

The Coast Guard requested terminating the operations of the LORAN program in the President's budget and instead asked for \$11.8 million to LORAN signal termination and personnel reduction.

The House passed report acknowledges the Coast Guard's request to terminate operations, but continues LORAN operations because there hasn't been an agreement reached with the Department of Transportation to terminate LORAN.

History and current operations of the LORAN C navigation system –

LORAN stands for Long Range Aid to Navigation. The original LORAN navigation system, the LORAN A, was developed during World War II and the Loran C was developed during the 1950s and 60s.

There are 24 LORAN stations across the US, 6 of them are in Alaska and one is in Boise City, OK. The 18 non-Alaska stations require a 3 to 4 person Coast Guard crew, but the 6 Alaska stations require an approximate 15 person crew due to special needs in their remote locations.¹

These stations send out radio signals and LORAN receivers onboard vessels and aircrafts measure the differences in the time that it takes for these signals to reach the receiver. The LORAN receivers then convert that information into longitude and latitude.²

LORAN is used for some civilian navigation, but is no longer a primary source for civilian navigation needs since the Global Positioning System (GPS) reached full operating functionality in 1994. LORAN has also been used by commercial sectors for precision

¹ Coast Guard Congressional Affairs Office

² USCG Website

timing purposes, but these commercial sectors now use GPS as a timing source.³

2005 Federal Radionavigation Plan – This plan was released on February 10, 2006 and it's the official source of radionavigation policy for the Federal Government. It was jointly prepared by the Department of Defense, Department of Transportation and the Department of Homeland Security.

The Coast Guard based its request to terminate LORAN operations off of this plan because it indicates that LORAN is no longer a mission essential need for a primary or secondary positioning, navigation or timing for DoD, DoT, and DHS.⁴

Despite this in-depth multi-agency look at radionavigation, the Senate report on this bill calls for DHS and DoT to submit a report to the Senate Appropriations committee that requires them to come up with excuses to continue LORAN operations. The Senate report instructions on this report are, "The report shall include an analysis of the costs and benefits of the LORAN system, the merits of maintaining the LORAN system as a back-up navigational aid, and the benefits of using the LORAN system in conjunction with the Global Positioning System."

Back ups for Maritime and Aviation in case of a GPS failure

Maritime backups – The 2005 Federal radionavigation Plan reported that, "The USCG (United States Coast Guard) has determined that sufficient backups are in place to support safe maritime navigation in the event of a loss of GPS based services, and therefore Loran is not needed as a back-up navigational aid for maritime safety."

Maritime backup navigation equipment The 2005 Federal Radionavigation Plan says that in the event of a GPS failure, "Mariners practice "conventional" navigation, using "all available means" which includes GPS/DGPS, Loran-C, radar, lights/buoys/daymarks, celestial navigation, fathometer, 3-14 paper charts and dead reckoning."

³ 2005 Federal Radionavigation Plan

⁴ 2005 Federal Radionavigation Plan

The Coast Guard congressional affairs office has indicated to my staff that LORAN is just one of many conventional back ups in place and that it is way down the list.

Aviation Backups – The 2005 Federal radionavigation Plan reported that, “The FAA has determined that sufficient alternative navigational aids exist in the event of a loss of GPS-based services, and therefore Loran is not needed as a back-up navigation aid for aviation users.”

Aviation backup navigation equipment - The 2005 Federal Radionavigation Plan says the following about mitigating GPS disruption: “FAA plans of retaining a minimum network of Very High Frequency Omnidirectional Range (VOR), Distance Measuring Equipment (DME), and Instrument Landing System (ILS) facilities to serve as a backup to GPS, several other solutions have been identified to help mitigate the effects of a Satnav (GPS) service disruption, but each has its limitations.”

LORAN was one of five limited solutions listed: “Users may have an option to equip with instrument flight rules (IFR)-certified Loran-C avionics, pending the improvements needed to achieve a nonprecision instrument approach capability with Loran. A combined Loran/Satnav receiver could provide navigation and nonprecision instrument approach service throughout any disruption to Satnav service.”

Cost – The Coast Guard will spend \$35 million in 2007 on the operations and maintenance of the LORAN program. The Federal Aviation Administration will spend between \$15-\$25 million in 2007 on LORAN recapitalization. The recapitalization efforts came about because of Coast Guards attempt to phase out LORAN in 2000. The FAA determined they still needed LORAN as secondary navigation system, so Congress decided to keep LORAN operating and continued funding recapitalization efforts that began in 1997.⁵ Since 1997, approximately \$160 million has been appropriated to the FAA to recapitalize LORAN. It’s estimated that it will take another 6 to 10

⁵ Coast Guard Congressional Affairs Office

years and at least another \$300 million to complete the recapitalization.⁶

Savings – The Coast Guard estimates that if they receive Congressional approval to terminate LORAN operations, they will spend approximately \$119 over four years to decommission the 24 LORAN stations. Immediate annual savings would be \$15 to \$25 million from the elimination of recapitalization efforts and \$50 to \$60 million after four years. Over the next ten years the savings from discontinuing LORAN operations would be approximately \$500 million.

Claims v. Facts

The Senate report on this bill and proponents of LORAN will claim that GPS used along with LORAN can provide the most accurate positioning. However, The Coast Guard liaison has said that LORAN and GPS are not used in tandem, and that the use of GPS alone provides sufficient positioning and navigation accuracy.⁷

Proponents of LORAN will claim that the Coast Guard shutting down LORAN will adversely affect other federal agencies that use LORAN as a back up navigational system. The 2005 Federal Navigational Plan indicates that LORAN is no longer a mission essential need for primary or secondary source for positioning, navigation or timing for DoD, DoT, and DHS and the plan was signed by the Secretaries Rumsfeld, Mineta, and Chertoff.

Proponents of LORAN will claim that the Coast Guard decision to terminate LORAN will adversely affect commercial sectors (banking, commerce, and telecommunications) that depend on LORAN for timing purposes. After surveying commercial sector usage, the DHS Preparedness Directorate determined that no commercial sectors use LORAN as a primary or secondary timing source. They found that these commercial sectors use GPS as a timing source and that they have sufficient alternatives, other than LORAN, available to sustain operations if GPS were to fail.

⁶ 2005 Federal Radionavigation Plan

⁷ Coast Guard Congressional Affairs Office

Proponents of LORAN will say this will create aviation safety problems in the event of a GPS failure. The 2005 Federal radionavigation Plan reported that, “The FAA has determined that sufficient alternative navigational aids exist in the event of a loss of GPS-based services, and therefore Loran is not needed as a back-up navigation aid for aviation users.”

Proponents of LORAN will say this will create maritime safety problems in the event of a GPS failure. The 2005 Federal radionavigation Plan reported that, “The USCG (United States Coast Guard) has determined that sufficient backups are in place to support safe maritime navigation in the event of a loss of GPS based services, and therefore Loran is not needed as a back-up navigational aid for maritime safety.”

Talking Points^{8 9}

- The President’s budget request gives the Coast Guard \$0 for LORAN operations but instead provides \$11.8 million for LORAN signal termination and personnel reduction.
- LORAN was once a very useful navigational system but since the full development of GPS in the mid 1990s, LORAN is no longer needed for as a primary or secondary navigational system.
- The cost of continuing LORAN as a back up navigation system is far greater than it’s worth. Recapitalization and operating cost of LORAN will be between \$50 and \$60 million this year.
- Since 1997, Congress appropriated \$160 million in recapitalization funding on the outdated LORAN system. This recapitalization is estimated to take another 6 to 10 years and at least another \$300 million to complete.
- Terminating LORAN operations will save approximately \$500 million over the next ten years through discontinuing costly

⁸ Coast Guard Congressional Affairs Office

⁹ 2005 Federal Radionavigation Plan

recapitalization efforts and eliminating LORAN's high operating cost from the Coast Guard's operating expenses.

- We are spending \$50 to \$60 million a year on a navigation system that no federal agency has claimed that they have a mission-essential need it as a primary or secondary source for navigation or positioning.
- With respect to Maritime safety, The 2005 Federal radionavigation Plan reported that, "The USCG (United States Coast Guard) has determined that sufficient backups are in place to support safe maritime navigation in the event of a loss of GPS based services, and therefore Loran is not needed as a back-up navigational aid for maritime safety."
- With respect to aviation, The 2005 Federal radionavigation Plan reported that, "The FAA has determined that sufficient alternative navigational aids exist in the event of a loss of GPS-based services, and therefore Loran is not needed as a back-up navigation aid for aviation users."
- There was similar opposition when the decision was made to discontinue Morse Code 15 years ago because it had become redundant and obsolete. There have been no adverse impacts since its use was terminated.
- With respect to Maritime Commerce, The 2005 Radionavigation Plan requested that the Maritime Administration to issue a report to the Coast Guard about whether an enhanced LORAN system is needed as a back-up navigation aid to maintain commercial maritime efficiency.¹⁰ The Maritime Administration has since reported to the Coast Guard that that there would not be a significant disruption in the movement of vessels in and out of U.S. ports or an affect commercial enterprises if LORAN is terminated.
- The Senate Report on this bill calls for a DHS and DoT to submit a report to the appropriations committee on the future of

¹⁰ Section 3.1.4, Federal Radionavigation Plan

LORAN. The 2005 Radionavigation Plan was released on February 10, 2006 and it is the official source of radionavigation and policy for the federal government. It studied the use of LORAN in the government and in several commercial sectors and found that no federal agency or commercial sector relies on LORAN as a primary or secondary navigation system. Why should these agencies waste time and money to submit a report on LORAN to appropriations committee when there was a full study of usage of LORAN in the government and commercial sector released less than six months ago that found that LORAN is no longer needed?

Amendment 4589 -- Reduces funding for the Office of Domestic Preparedness by \$25 million

BACKGROUND

The DHS FY'07 Appropriations bill provides \$2.3 million for a variety of grant programs for State and locals assistance. Some of this assistance is provided through training grants which are designed to teach Federal, State and local first responders to prepare for, respond to, and recover from terrorist attacks. DHS also provides training grants to educational institutions and organizations to develop and conduct training.

DHS' **Demonstration Training Grant** Programs is a grant awarding program managed through the Office of Domestic Preparedness. Since 2004, the program has received \$63.6 million. They have awarded 29 grants ranging from \$750,000 to \$6.5 million.

Developed after the President issued HSPD-8 on National Preparedness, these grants were designed to develop training programs to assist communities with terrorism preparedness.

Despite two years of financial support, none to the training programs developed using Demonstration Training Grant funding have been deployed for use. In addition, some of the programs appear to be duplicative with other training programs provided both within the Department of Homeland Security and with counter-terrorism training programs provided through other Federal agencies.

The **President did not request funding for DHS' Demonstration Training Programs in FY '07.**

WHAT THIS AMENDMENT DOES

This amendment will cut funding for the Department of Homeland Security's Demonstration Training Program.

This program is included in an account titled “training, exercises, technical assistance, and other programs” which receives a total of \$331.5 million.

Your amendment reduces the amount for this office by \$25 million, thereby striking the \$331.5 amount and replacing it with \$306.5 million.

We will draft committee report language accompanying the bill which will explain that this reduction of funds is intended for the Demonstration Training Grant Program.

MULTIPLE TRAINING PROGRAMS WITHIN DHS

The FY 2007 DHS Appropriations bill contains multiple grant programs that fund counter-terrorism training for State and local first responders. They are:

- **\$500 million for DHS Formula Grants**
These grants can be used by State and local governments for planning, *training*, exercises, and equipment. Under training, the funds are used to send State and local first responders to training and to backfill a position temporarily vacated because a staff member is attending training.
- **\$145 million for the National Domestic Preparedness Consortium (NDPC)**
The NDPC is composed of government training facilities, academic institutions and private organizations, all of which provide a variety of training for emergency responders across the country. Five organizations make up the NDPC.

Grant awards for National Domestic Preparedness Consortium (NDPC) in FY 2006 have not yet been made. However, in FY 2005, each NDPC member received approximately \$20 million, with the exception of the Center for Domestic Preparedness, a federal entity with an operating budget in FY 2005 of about \$55 million.

- **\$270.8 million for the Federal Law Enforcement Training Center (FLETC)**
 The FLETC is headquartered at Glynco, GA and operates residential training sites in Artesia, NM, and Charleston, SC. The FLETC also operates an in-service re-qualification training facility in Cheltenham, MD. For FY 2007, the Committee report states that the FLETC provides “basic and some advanced training to Federal law enforcement personnel from more than 80 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.” In short, they not only train first responders (federal and state and local) but they do research on new training methodologies.
- **\$32.1 million for the Advanced Training Center**
 Senator Byrd has included a \$10 million earmark (included in the \$32.1 total funding) to expand the Advanced Training Center in West Virginia, which trains Customs and Border Patrol Agents. Senator Byrd and CBP claim that the FLETC cannot provide the level of training required though the bill does not specify what necessitates the expansion.
- **\$30 million for Continuing Training Grants**
 These grants are directed to a consortium of government training facilities, academic institutions and private organizations, all of which provide a variety of specialized training for State and local first responders. For the past three fiscal years, DHS has funded five organizations that provide counter-terrorism training.
- **\$25 million for Demonstration Training Grants**
 In support of HSPD-8 (National Preparedness), these grants are awarded to educational institutions and organizations to develop training that will help communities be better prepared to respond to terrorist attacks. In 2004, 14 grants were awarded totaling \$33,645,997. In 2005, 15 grants were awarded totaling \$30 million. Examples of the training developed through this grant program include training State

agriculture employees to recognize agro-terrorism, training NGOs to better prepare to respond to terrorist attacks involving WMDs, training “venue management professionals” in safety and security protocols, and training for state government officials in COOP Planning (continuity of Operations Planning).

- In addition to these training programs, DHS also funds training programs offered through the National Fire Academy (for firefighter training) and through FEMA’s Emergency Management Institute (for State and local emergency management personnel).

OTHER FEDERAL AGENCIES PROVIDE COUNTER-TERRORISM TRAINING

- **Department of Defense**
While many of DOD’s counter-terrorism training programs are dedicated to military personnel, DOD does conduct training courses for non-military medical and technical personnel. Many of these programs are jointly sponsored with the American Red Cross.
- **Department of Energy**
Provides training to State and local public safety officials to respond to terrorist attacks involving radioactive waste.
- **Environmental Protection Agency**
Provides security and anti-terrorism training to public works personnel working in the nation’s water sector.
- **Department of Health and Human Services**
Provides counter-terrorism training to public health workers and health care providers.
- **Centers for Disease Control**
Trains public health personnel for terrorism response.
- **Health Resources Services Administration (HRSA)**
Administers the National Bioterrorism Hospital Preparedness Program which gives grants to States to prepare hospitals and supporting health care systems to deliver coordinated and effective care to terrorism victims.
- **Food and Drug Administration**

- Trains its own employees and State, local, and tribal regulatory personnel for terrorism preparedness and how to identify potential terrorist acts.
- **Department of Justice**
Provides assistance to State and local law enforcement agencies through a variety of counter-terrorism and related educational programs.
 - **Department of Transportation**
Within DOT, the Federal Transit Administration conducts counter-terrorism and homeland security training to State and local transit system personnel.

TALKING POINTS

- The Department of Homeland Security and other federal agencies provide State and local governments with a plethora of homeland security training grants designed to train State and local first responders and emergency management personnel on how best to respond to terrorist attacks.
- There is no doubt that training for State and local first responders is critically important. Preparing first responders to quickly and effectively respond to terrorist attacks will help mitigate the harm done to victims, communities, and the nation as a whole.
- However, these programs have multiplied over the years and there seems to be very little oversight and coordination among the different federal agencies providing funding for these programs.
- In September 2003, GAO reported that DHS grant programs showed considerable overlap potential in the activities that training programs support—**that was before several more grant programs started.**

- At a June 2005 House hearing on federal counter-terrorism grant programs, the Congressional Research Service testified that duplication exists in these training programs and that the federal government, as a whole, and specifically DHS can not provide complete information on what it provides to federal, State, and local personnel.
- In April 2006, CRS reported that there is redundancy in federal training programs and that DHS has done little to ensure there is coordination within DHS and with other federal agencies providing counter-terrorism training.
- CRS reports that “it is possible that training provided by DHS, DOD, DOJ, DOT, EPA, and HHS to first responders is not coordinated, and that a federal effort should be made to ensure these federal entities provide coordinated non-duplicative training.”
- Despite these warnings, funding for training grants throughout the federal government has continued with very little oversight on whether these programs are duplicative and whether their host agencies are coordinating.
- Within DHS, there are several programs providing grant funding for training. Since 2004, DHS has provided funding for the Demonstration Training Grant Program which provides educational institutions, private associations, and non-profit organizations grants to develop training programs—ranging in focus from law

enforcement to transportation to intelligence—designed to help communities prepare for terrorist attacks.

- However, to date, **none of the training programs developed using these grant funds have been deployed** and some of them appear to duplicate training programs already offered through other federal agencies. In other words, \$63 million dollars later, the product we bought two years ago is still not being used by the communities it was originally designed to serve.
- The President's FY 2007 budget request did not request any money for the Demonstration Training Grants program.
- While I'm sure many of the training programs designed through the Demonstration Training Grant Program will be useful tools for communities to prepare for terrorist attacks, enough money has been provided to date. It's time to see some results.
- It is also troubling to hear reports of DHS' inability coordinate its own grant programs and ensure it isn't duplicating counter-terrorism training programs offered by other Federal agencies.
- My Amendment will cut funding for the Demonstration Training Program. The American taxpayers have invested enough. Let us see the product of this gigantic investment before we ask the American taxpayer to dip into their pockets once again.

Amendment 4590 – Increases funding to the DHS Office of the Chief Financial Officer (OCFO) by \$1 million to be used for the purposes of complying with the Improper Payments Information Act of 2002. The offset is taken from funds set aside for the Metropolitan Medical Response System (MMRS) which is on the President’s termination list.

BACKGROUND

DHS reported in its fiscal year 2005 Performance and Accountability Report that it had assessed all activities and programs and found that none were at “significant” risk of making improper payments. Though we do not yet have comprehensive numbers for money spent improperly, we know by headlines and preliminary estimates by DHS that millions of dollars were misspent during hurricanes Katrina and Rita. DHS openly admits that their methodology and testing for improper payments in fiscal year 2005 was not as thorough as it should have been in order to comply with the law.

The Improper Payment Information Act was enacted in November 2002 for the purpose of finding and eliminating payments that should not have been made, or were made for incorrect amounts, by government agencies.

Improper payments- which include inadvertent, fraudulent, and irresponsible payments- are costing the taxpayers at the very least, **\$37 billion each year.**

Even worse, this \$37 billion represents only 18 of 70 agencies who are currently reporting improper payment information as required under law.

The Department of Homeland Security reported in its fiscal year 2005 Performance and Accountability Report that none of its programs or activities were deemed to be at “significant” risk of making improper payments.

Federal programs and activities deemed to be at “*significant*” risk of making improper payments by their respective agencies are required under existing law to report improper payment information to Congress.

(“Significant” as defined by OMB means at least 2.5% of all payments made are improper, and the absolute dollar figure associated with that 2.5% or more totals at least \$10M.)

Though the Department admits that their procedures for finding and reporting improper payments for fiscal year 2005 were not in full compliance with the law and they have taken measures to improve their reporting for fiscal year 2006, Congress and the press have found a plethora of waste at the agency over the past year.

Why the Coburn-Obama Katrina CFO bill should have passed:

- Rebuilding efforts involving FEMA and other government agencies have a history of fraud, corruption and waste when there is no oversight
- Nearly \$14 billion has been spent on Katrina in the first couple weeks after the disaster, which is nearly the total spent on the devastating 1994 Northridge Earthquake
- Experts tell us that by the time rebuilding is finished, the price tag could very well total more than \$200 billion – almost the combined costs of the wars in Iraq and Afghanistan

Consider the following headlines and findings displaying the fraud, waste, and improperly spent taxpayer dollars as a result of irresponsible financial management at FEMA during Katrina and Rita recovery:

FEMA Funds Spent on Divorce, Sex Change - My Way News June 14, 2006

- Possibly 16 percent (\$1.4 billion) of the billions of dollars in assistance expended after Hurricanes Katrina and Rita was spent on divorce, sex changes and other bogus things.

- FEMA could not establish that 750 debit cards worth \$1.5 million even went to victims of hurricane Katrina. Among the items purchased with these cards:
 - All-inclusive, one-week Caribbean vacation
 - 5 season tickets to the New Orleans Saints
 - Adult erotica
 - Dom Perignon and other alcoholic beverages in San Antonio, TX
- FEMA paid millions to over 1,000 registrants who used P.O. boxes as their domestic residence and who used names and SSNs belonging to state and federal prisoners

Another Disaster for FEMA –The Washington Times June 15, 2006

- A GAO audit shows that porn videos, strip-club visits, Caribbean vacations were among the many things purchased in the wake of Hurricanes Katrina and Rita. Fraud was rampant.
- GAO reported that as much as \$1.4 billion (16 percent) of the total relief funds were deemed “improper and potentially fraudulent,” meaning that the recipients gave false, incomplete or otherwise invalid information while applying for disaster relief.
- FEMA paid an inmate in a Louisiana jail over \$14,000 to an address he listed as his home address in Texas.
- FEMA also financed a two-month stay at Honolulu’s Pagoda Hotel at a cost of \$8,000;
- \$2,200 for an “all-inclusive 1 week Caribbean vacation resort in Punta Cana, Dominican Republic...the list goes on

Louisiana officials say Katrina recovery wasteful (Reuters April 10, 2006)

- Much of the \$100 billion-plus earmarked for Louisiana hurricane relief efforts is tied up in wasteful subcontracting practices

'Breathtaking' Waste and Fraud in Hurricane Aid

-The New York Times June 26, 2006

- “Hurricane Katrina produced one of the most extraordinary displays of scams, schemes and stupefying bureaucratic bungles in modern history, costing the taxpayers up to \$2 billion.”
- GAO estimated this month that perhaps as much as 21 percent of the \$6.3 billion given directly to victims might have been improperly distributed.
- One Louisiana Labor clerk has been charged with issuing about 80 fraudulent disaster unemployment benefit cards in exchange for bribes of up to \$300 per application.
- FEMA officials have pleaded guilty to taking \$20,000 in bribes in exchange for inflating the count on the number of meals a contractor was serving disaster workers.
- Cases are still pending to determine 7,000 cases of possible fraud to prosecutors, including more than 1,000 prison inmates who collected more than \$12 million in federal aid, much of it in the form of rental assistance.
- A hotel owner in Sugar Land, Tex., was charged with submitting \$232,000 in bills for phantom victims, and roughly 1,100 prison inmates across the Gulf Coast apparently collected more than \$10 million in rental and disaster-relief assistance.
- Bureaucrats ordered nearly half a billion dollars worth of mobile homes that are still empty; and renovations for a shelter at a former Alabama Army base cost about \$416,000 per evacuee.
- An Illinois woman tried to collect federal benefits by claiming she watched her two daughters drown in the rising New Orleans waters. Prosecutors said that the children did not exist.

And more headlines...

Con Artists Spent Katrina Aid on Holidays and Champagne

-The Washington Times June 29, 2006

Disaster Aid Spent on Porn – The New York Times June 15, 2006

OMB reported yesterday that the federal government spent at least \$123 billion on hurricanes Katrina and Rita. DHS itself has already admitted that for fiscal year 2006, FEMA and TSA will have programs that made significant improper payments.

However, the Department of Homeland Security did not report any improper payments for fiscal year 2005, the year in which hurricanes Katrina and Rita occurred.

My amendment Increases funding to the DHS Office of the Chief Financial Officer (OCFO) by \$1 million to be used for the purposes of complying with the Improper Payments Information Act of 2002. The offset is taken from the Metropolitan Medical Response System (MMRS), a program that was zeroed out in the President's FY 2007 Budget request.

The Office of the Chief Financial Officer is responsible for implementing the Improper Payments Information Act and insuring compliance with the law.

If Congress doesn't even know the extent of improper payments made at DHS because they're out of compliance with the Improper Payments Information Act, then how is Congress supposed to hold DHS accountable for expenditures?

This amendment would see that adequate resources are spent on tracking, estimating, and reporting improper payments so that Congress can hold FEMA and DHS agencies accountable for the payments they are making.