



# COMMITTEE *on* APPROPRIATIONS

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### **SUMMARY: FISCAL YEAR 2014 OMNIBUS APPROPRIATIONS BILL**

**WASHINGTON, D.C.**—The U.S. Senate Appropriations Committee today released highlights of the fiscal year 2014 Omnibus Appropriations Bill that totals \$1.012 trillion in discretionary spending. The bill funds the government through September 30, 2014.

#### **OMNIBUS SUMMARY**

#### **Agriculture, Rural Development, Food and Drug Administration, and Related Agencies**

The Subcommittee on Agriculture funds the Department of Agriculture and the Food and Drug Administration. The bill helps create and support jobs and the economy; provides much needed improvements to our nation's infrastructure through investments in water and community facilities programs; helps ensure public safety by fully funding the important food and drug safety work carried out by the Food and Drug Administration and the Food Safety and Inspection Service; and provides an important safety net through nutrition programs, housing programs and international food assistance.

The bill also maintains important reforms included in the Senate bill in order to streamline and make programs more effective. It maintains a Senate provision to provide the Administration with additional flexibility to implement developmental assistance around the world, while at the same time ensuring that American farmers and shippers continue to be directly involved in providing international food assistance. Additionally, it streamlines multiple research programs to make their administration and outcomes more efficient and effective, and eliminates other programs entirely.

Highlights of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill:

#### **Rural Development**

- **Rural Development – Rental Assistance** – The bill provides \$1.11 billion, which is \$273 million above fiscal year 2013, for the Rural Development Rental Assistance Program. This program provides a subsidy to very low and low income rural occupants of affordable rental housing, who are often elderly, female headed households, or disabled. This level will ensure that over 60,000 current contracts will not be allowed to expire, which could cause occupants to face untenable rent increases or eviction.

- **Rural Development – Single Family Housing Direct Loans** – The bill maintains the Senate loan level of \$900 million, which is \$60 million above fiscal year 2013. This funding will provide about 7,500 low and very low income rural households the opportunity for homeownership.
- **Rural Development – Water and Waste Disposal Program** – The bill provides a total loan and grant program level of \$1.752 billion for the water and waste disposal program, an increase of \$248 million above fiscal year 2013. This program often utilizes loan/grant combinations, and this level of funding will assist approximately 980 rural communities in obtaining clean water and sanitary waste disposal systems.
- **Rural Development – Community Facilities Program** – The bill provides a total loan and grant program level of \$2.288 billion for the community facilities program, which funds essential rural community facilities including hospitals, schools, health clinics, libraries, day care centers, public safety buildings and equipment, and more.

### **Public Health**

- **Food and Drug Administration** – The bill maintains the Senate level of \$2.552 billion for the Food and Drug Administration, which is \$217 million above fiscal year 2013. This includes increases of \$53 million to continue implementation of the Food Safety Modernization Act and \$19 million for improvements to medical product safety. In addition, the bill provides full collection authority for all authorized user fees, and includes a provision that makes previously sequestered FDA user fees available to use for their original intent.
- **Food Safety and Inspection Service** – The bill provides \$1.011 billion for the Food Safety and Inspection Service, which is \$33 million above fiscal year 2013. This will fully fund all current and future estimated inspection services.

### **Food Aid**

- **Food for Peace** – The bill maintains the Senate level of \$1.466 billion for PL480 title II grants, which is \$107 million above fiscal year 2013. This program is the flagship program for humanitarian assistance around the world; combats hunger and malnutrition and promotes food security in developing countries; and includes funding for multiyear development projects that help the most vulnerable break the cycle of poverty and move toward a self-sustaining environment. The Food for Peace program has provided food assistance for over 50 years, and helped approximately 3 billion people in 150 countries.

The bill also maintains Senate language which provides the Administration with additional flexibility to implement developmental assistance around the world, while at the same time ensuring that American farmers and shippers continue to be directly involved in providing international food assistance.

- **McGovern-Dole** – The bill maintains the Senate level of \$185 million for the McGovern-Dole Food for Education Program, which is \$11 million above fiscal year 2013. This program will allow 4 million mothers and children in the poorest countries in the world to gain access to improved education and nutrition, and has been credited with improving school attendance, especially among girls, in schools where the program operates.

## Nutrition

- **WIC** – The bill provides \$6.716 billion for the WIC program, which provides nutritious food and other important services to low income mothers and children up to age five. This is an increase of \$194 million above fiscal year 2013. This amount reflects the Administration’s latest estimates for participation and will serve approximately 8.7 million participants each month.
- **School Meals Equipment Grants** – The bill provides \$25 million for equipment purchases in school cafeterias to help schools prepare healthier meals, consistent with the new nutrition standards set forth in the Healthy, Hunger Free Kids Act. This is an increase of \$15 million above fiscal year 2013. According to the CDC, the percentage of children aged 6–11 years in the United States who were obese increased from 7% in 1980 to nearly 18% in 2010, and the percentage of adolescents aged 12–19 years who were obese increased from 5% to 18% over the same period. School meals should be nutritious and enticing, and this funding helps school districts make a better long term investment in our nation’s children.
- **Other Nutrition Programs** – The bill maintains the Senate level of \$203 million for the Commodity Supplemental Food Program, which is an increase of \$21 million above fiscal year 2013. It also fully funds the Farmers Market Nutrition Program and The Emergency Food Assistance Program.
- **Supplemental Nutrition Assistance Program** – The bill includes \$82.169 billion in mandatory funding for the SNAP program (formerly known as Food Stamps). This amount will fully fund the program and reflects the Administration’s latest estimates.

## Research

- **Agricultural Research Service (ARS)** – The bill provides \$1.122 billion for ARS, which is \$105 million above fiscal year 2013. ARS, USDA’s in-house research agency, makes critical investments in agricultural research throughout the country.
- **National Institute of Food and Agriculture (NIFA)** – The bill maintains the Senate level of \$1.277 billion for NIFA, which is \$74 million above fiscal year 2013. The bill maintains the Senate levels of \$316.409 million for the Agriculture and Food Research Initiative; \$243.701 million for Hatch Act; \$33.961 million for McIntire-Stennis Cooperative Forestry Act; \$52.485 million for Research at 1890 Institutions; and \$300 million for Smith-Lever, Section 3(b) and (c) programs and Cooperative Extension.

## **Farm Services**

- **Farm Service Agency (FSA)** – The bill includes \$1.178 billion for FSA, which is an increase of \$63 million above fiscal year 2013. The FSA administers a wide variety of programs used by agricultural producers. The bill includes funding to support \$2.575 billion in farm ownership loans and \$2.696 billion in farm operating loans.

## **Regulatory Programs**

- **Animal and Plant Health Inspection Service (APHIS)** – The bill provides \$822 million for APHIS, which is an increase of \$63 million above fiscal year 2013. This level maintains the Senate increase of \$20 million to implement a nationwide program to control and eradicate feral swine, as requested in the budget.

## **Conservation**

- **Natural Resources Conservation Service (NRCS)** – The bill provides \$813 million for NRCS, which is \$46 million above fiscal year 2013, to provide technical assistance to agricultural producers so they may continue to be good stewards of the land.

## Commerce, Justice, Science and Related Agencies

The agreement for the Commerce, Justice, Science, and Related Agencies (CJS) subcommittee for fiscal year 2014 totals \$51.6 billion in proposed discretionary budget authority, an increase of \$4.55 billion above the fiscal year 2013 post-sequester enacted level of \$47.05 billion.

### Keeping America Safe

The 2014 omnibus spending bill provides total resources of \$27.7 billion for the Department of Justice to fight crime and terrorism, protect communities and families, and provide critical grant funding to for law enforcement initiatives to State, local, and tribal governments.

**State, Local, and Tribal Law Enforcement.** The bill continues to show strong support for our State, local, and tribal partners who fight violent crime, combat violence against women and children, and support victims of crime. State and local law enforcement need the assistance provided by Federal resources to keep communities safe, vibrant, and strong. The bill provides \$2.3 billion to help State and local law enforcement with the tools they need to fight violent crime and gangs, and terrorism. The COPS program, eliminated in the House's budget proposal, is funded at \$214 million in this bill with \$180 million set aside for COPS hiring grants to put roughly 1,500 cops on the beat.

Funding for key operational grant programs is included such as \$376 million for Byrne Justice Assistance Grants, \$417 million for Violence Against Women Act programs, \$255 million for juvenile justice and mentoring grants, and \$120 million for research and evaluation initiatives on the best prevention and intervention strategies. This funding will provide women with support to leave violent abusers; put away rapists, child abusers, and sex predators; break up child pornography and prostitution rings; build the capacity of crime laboratories to process DNA evidence and thousands of untested rape kits for use as evidence in trials; break the school to prison pipeline; and help root out and prosecute the most violent gang members.

**Federal Law Enforcement.** The bill provides more than \$24 billion to fund the critical core national security, law enforcement, investigation, and prosecution missions of the Justice Department to protect the safety and security of our communities, and to help ensure that criminal perpetrators are brought to justice. This omnibus bill will also help to reverse the effects of sequester and allow the Department of Justice to reverse its hiring freeze and begin to replace nearly 3,400 employees lost to attrition. If the sequester were still in place, law enforcement agencies would have faced furloughs leaving the American public vulnerable to crime.

*Federal Bureau of Investigation (FBI)* – The bill provides \$8.2 billion for FBI salaries and expenses, \$762 million above the fiscal year 2013 sequester level. This increase in funding will allow the FBI to conduct 1,300 more terrorism, cyber intrusion, and violent crime investigations as well as continue efforts to investigate major white collar crimes like healthcare, mortgage and financial fraud. This level avoids 10 days of furloughs that would have occurred under continued sequester.

*Drug Enforcement Administration (DEA)* – The bill provides total resources of \$2.4 billion for the DEA, which is \$137 million above the fiscal year 2013 sequester level, to target and dismantle criminal narcotics activities, and regulate and combat prescription drug abuse. This level will allow DEA to disrupt 60 more drug cartels and narco-terrorist networks.

*Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF)* – The bill provides \$1.2 billion for the ATF, which is \$108 million above the fiscal year 2013 sequester level, to reduce violent crime and enforce Federal firearms and explosives laws. With this funding, the ATF can recommend more than 200 additional gun cases for prosecution, keeping guns from criminals, gang members, drug dealers, and the mentally ill. Nine days of furloughs that would have occurred under continued sequester will now be avoided.

*U.S. Marshals Service (USMS)* – The bill provides \$1.2 billion for U.S. Marshals Service salaries and expenses, \$73 million above the fiscal year 2013 sequester level, to apprehend dangerous fugitives, protect the Federal courts and the judiciary, and transport prisoners for court proceedings. This level will allow USMS to track and arrest at least 3,000 more violent fugitives and unregistered sex offenders and expand gang enforcement efforts within each of the seven Regional Fugitive Task Forces. Fifteen days of furloughs that would have occurred under continued sequester will now be avoided.

*U.S. Attorneys* – The bill provides \$1.9 billion for the U.S. Attorneys, which is \$114 million above the fiscal year 2013 sequester level, to prosecute cases in international and domestic terrorism, mortgage fraud and financial crime, human trafficking, child exploitation, firearms and violent crime, gangs and organized crime, and complex fraud committed in health care, identity theft, public corruption, and drug enforcement. With this funding, the U.S. Attorneys' offices will be able to prosecute an additional 300 criminal cases in Federal courts. This level avoids 3 days of furloughs that would have occurred under continued sequester.

*Federal Prison System* – The bill provides \$6.8 billion for the Bureau of Prisons salaries and expenses, an increase of \$420 million above the fiscal year 2013 sequester level. This funding will maintain staffing levels at existing prisons to ensure safe and adequate facilities to house the nation's criminal population, will continue the opening of newly constructed or acquired prison facilities, and expand reentry programs for eligible inmates to successfully transition back into the community.

**Gun Violence.** This bill fights gun violence with \$1.25 billion in resources to help keep our homes, schools, and neighborhoods safe. The bill provides \$128 million to the FBI, an increase of \$60 million, to run instant background checks so legal buyers can exercise their Second Amendment rights while keeping guns out of the hands of known criminals. It will give ATF an additional \$70 million for a total of \$975 million for criminal enforcement, investigations, and inspections tools to enforce gun laws, trace firearms found at crime scenes, and keep illegal guns away from traffickers and criminals.

The bill also provides \$58.5 million for all states to improve the quality of criminal and mental health records so interstate background checks are more effective and \$15 million to train local police how to respond to active shooter situations so police and bystanders can get out safely when the unthinkable happens. A new program for comprehensive school safety is funded at \$75 million through DOJ's Office of Justice Programs which will allow communities to conduct school safety assessments and fill gaps in school safety plans.

**Weather.** Natural disasters caused more than \$125 billion of damage globally in 2013, with weather-related events leading the list. The United States witnessed record breaking rainfall in several States, including severe flooding in Colorado. Tornado outbreaks throughout May in Oklahoma resulted in over 100 tornadoes and the widest tornado ever recorded, at 2.6 miles wide. In 2012, the United States suffered 11 major weather and climate disasters that cost \$110 billion dollars, making 2012 the second most expensive year for weather disasters in our history. One-third of US GDP is affected by climate and weather from farmers trying to protect livestock and crops, to cities relying on energy from wind turbines and solar panels, to air travelers trying to get home safely and on time through storms. That is why this bill puts \$3 billion in the Federal checkbook to make American weather prediction and the American model the gold standard.

This funding directly supports our Federal weather infrastructure with \$1.87 billion, \$207 million above the fiscal year 2013 sequester level, to keep our next generation weather satellites on budget and on schedule. Our forecasting offices will be staffed and ready with \$1.07 billion in weather service operations and infrastructure, which is \$113 million above the fiscal year 2013 sequester level. Under continued sequestration, all weather service employees faced 4 days of furlough. The funding in this bill will help modernize aviation weather forecasting, improve hurricane forecasts, strengthen tsunami warnings, and support next generation radar technology. The bill also includes increased funding for weather research, such as testing of our next generation of weather radars, at \$81 million, which is \$17 million above the fiscal year 2013 sequester level.

**Cybersecurity.** Cybercrime does not just happen inside of a computer. Impacts of an attack can be devastating off-line. This bill ensures that the Department of Justice can protect respond to attacks, and catch and prosecute the criminals behind the keyboard by funding cybersecurity at the Department of Justice at \$652 million. Of this amount, the FBI is funded at \$390 million, an increase of \$75 million, to fund Next Generation Cybersecurity Initiative. In addition, the bill helps NIST build partnerships that will protect critical infrastructure like the power grid, so dot-com can protect itself and so, working together, the government and the private sector get cyber technology into the hands of those who can use it through the \$15 million National Cybersecurity Center of Excellence. Total NIST cybersecurity funding is \$85.5 million, an increase of \$13 million. NSF is funding merit-reviewed, next generation cyber research like new techniques for building networks that are secure from the start with \$159 million for cybersecurity R&D.

## **Creating Jobs Through Innovation**

More than half of U.S. economic growth can be attributed to innovation that began with basic research. New ideas become new products and new companies. The unexpected consequences of a new idea can be transformational. For example, two Stanford graduate students' NSF grant to optimize search engines changed the Internet and the way people search, e-mail, and use the cloud and created Google. Not every NSF grant has the potential to be another Google, but basic research will remain the key element of high growth, high value companies.

That's why the bill focuses on increasing research at key science agencies. The National Institute of Standards and Technology (NIST) is funded at \$850 million, which is \$81 million above the fiscal year 2013 sequester level. This funding enables a set of initiatives that will catalyze innovations, develop measurements, and provide technical resources to promote the global competitiveness of U.S. manufacturers and aspiring start-ups. NIST's Hollings Manufacturing Extension Partnership (MEP) and Advanced Manufacturing Technology Consortia (AMTech) will help manufacturers accelerate development and adoption of cutting-edge manufacturing technologies for making new, globally competitive products.

The bill provides \$7.17 billion for the National Science Foundation (NSF), an increase of \$288 million above the fiscal year 2013 sequester level. The increase will provide 780 more competitive grants supporting 9,120 more technicians, teachers, scientists, and students in fiscal year 2014.

No agency represents the Nation's scientific prowess like the National Aeronautics and Space Administration (NASA). The dream of space inspires schoolchildren to study science, technology, engineering, and mathematics. But the dream of space also inspires brilliant scientists and engineers at the height of their careers to probe even deeper into the secrets of the universe and our origins. NASA scientists and their private sector and university partners are peering into the big bang and the origins of the universe, drilling into rocks on Mars, researching cures for salmonella on the International Space Station, building the vehicles that will let humans explore beyond low earth orbit, preparing to analyze samples from the Sun, and looking back to Earth to understand and protect our planet.

The \$17.65 billion in the bill for NASA, which is \$781 million above the fiscal year 2013 sequester level, will preserve a NASA portfolio balanced among science, aeronautics, technology and human space flight investments. Moreover, it will keep NASA in the forefront of innovation, inspiring private companies to build new crew transportation and spawning a new satellite servicing industry that can revive, refuel, and rejuvenate defunct communications satellites.

## **Promote and Protect American Businesses**

The bill builds American prosperity by protecting American intellectual property, investing in economic development, promoting international trade, protecting American companies from unfair trade practices, and helping coastal economies recover from fisheries failures.

**Protecting American Ideas.** According to the Department of Commerce, the top Intellectual Property (IP)-intensive industries in the U.S. support at least 40 million jobs and contribute more than \$5 trillion to U.S. gross domestic product. The bill authorizes all expected fee revenue for the U.S. Patent and Trademark Office (PTO), with funding of \$3 billion to protect inventors so they can reap the profits from their ideas.

**Building Businesses.** The bill provides \$247 million for EDA, \$28 million above the fiscal year 2013 sequester level. Economic Development Assistance Programs are funded at \$210 million, including \$10 million for the Regional Innovation Program. This level of funding should allow EDA to help more than 100 communities plan regional strategies for long-term growth, leverage billions in private investment, and generate thousands of jobs.

**Promoting International Trade and Protecting American Companies.** U.S. exports supported 9.8 million jobs in 2012. ITA is funded at \$470 million, \$20 million more than the fiscal year 2013 sequester level, to help U.S. farmers, manufacturers, and service providers sell their products overseas. The bill also provides funding for SelectUSA, bringing new jobs and investments to the United States, and supports the Interagency Trade Enforcement Center, addressing unfair trade practices that hurt American businesses.

**Helping Coastal Economies Recover.** In 2012, U.S. commercial fishermen landed more than 9.3 billion pounds of seafood valued at more than \$5 billion. Yet, some of these fisheries experienced significant hardships in recent years, which led the Secretary of Commerce to declare several federal fishery disasters since 2012. These declarations are hollow proclamations, coming with no real financial relief. That's why this bill provides \$75 million to help alleviate the economic impacts associated with declared commercial fishery failures, fishery resources disasters, and State and Federal regulations. This funding is not just about fixing damaged boats and repairing waterfronts. It's about rebuilding smarter fisheries so that businesses and coastal communities stand a better shot of avoiding future disasters and local economies can continue to grow.

## **Preventing Waste, Fraud, and Abuse**

All of the agencies funded under the bill are called on to be better stewards of taxpayers' dollars. The bill:

- Provides robust funding for Inspectors General [IG], the taxpayers' watchdogs, and directs agencies to implement IG and GAO report recommendations;
- Sustains or reduces reception and representation funds at the fiscal year 2013 level which was a cut of 25 percent, so agencies reduce costs of executive meetings, receptions, and conferences, or buying fewer promotional items like t-shirts, hats, and mugs;
- Requires all agencies to cut overhead costs by at least 10 percent, by reducing non-essential travel, supply, rent, and utility costs;
- Requires the IGs to do random audits of grant funding to find and stop waste and fraud;
- Bars grants and contracts to tax cheats and companies with criminal convictions;
- Establishes an early warning system on cost overruns and techno-boondoggles, which requires agencies to notify the Committee when costs of projects grow by more than 10 percent.

## **Defense**

The Department of Defense Appropriations Act, 2014 provides \$572.0 billion in base and overseas contingency operation funding, compared to \$604.7 billion in pre-sequester fiscal year 2013 funds. The base budget appropriation is \$486.6 billion. The defense bill also contains \$85.2 billion for Overseas Contingency Operations (OCO) of the Department of Defense.

The bill meets the funding caps established in the Bipartisan Budget Act of 2013 by taking targeted, line-by-line reductions to the Department of Defense budget instead of indiscriminate, across-the-board reductions required by sequestration or relying on last year's budget priorities if a full-year Continuing Resolution (CR) were enacted. The use of targeted reductions allows for the protection of high priority national security programs, while proposing savings by eliminating redundancies, cutting unnecessary funding requests, and curtailing lower priority items.

### **Major Initiatives**

The Department of Defense Appropriations Act, 2014 emphasizes the following priorities:

- (1) Addressing Critical Shortfalls**
- (2) Supporting our Troops, Veterans, and their Families**
- (3) Improving Fiscal Accountability**

#### **Addressing Critical Shortfalls:**

Sequestration in fiscal year 2013 had a major impact on the operations of the Department of Defense. Budget shortfalls threatened the readiness of combat units, caused an inefficient allocation of resources, delayed important modernization programs, and disrupted routine work by furloughing thousands of civilian personnel.

Within the funding limits imposed by the Bipartisan Budget Act, the bill provides a balanced approach to limit further risk to our forces and begins recovery from sequestration in targeted areas by:

- Protecting readiness with a robust level of operation and maintenance funding that is \$11 billion higher than would be provided under a full-year CR. The higher agreement amounts address a top priority of the Chiefs of the Military Services to safeguard the readiness of our troops. The provided funds will protect aircrew flying hours, ship steaming days, soldier training, and repair of needed equipment.
- Providing \$1 billion for the National Guard and Reserve Equipment Account to ensure Guard and Reserve units have the critical, dual-use equipment necessary for both homeland security and overseas missions.

- Increasing the Virginia-class submarine program by \$1.2 billion and the DDG-51 destroyer program by \$100 million to fund both ten-ship multi-year contract commitments. If sequester were to continue, the Navy may not be able to afford the additional submarine and destroyer.
- Including \$2.4 billion to continue operation and begin modernization of nine Navy ships which had been proposed for retirement due to budget constraints.
- Adding \$175 million for the Rapid Innovation Program and \$75 million for the Industrial Base Innovation Fund. These programs promote the development of new technologies and timely fielding of critical equipment, serving the immediate needs of our troops and sustaining the American technological advantage.
- Adding \$30 million for increased intelligence collection in support of operations against Joseph Kony and the Lord's Resistance Army.
- Including \$40 million to equip six Air National Guard squadrons for unmanned aerial vehicle operations, including the outfitting of operations centers and supporting units.
- Providing \$90.2 million to replace a CV-22 Osprey for Special Operations Forces that was destroyed during training.
- Adding \$55 million for a top Missile Defense Agency priority to develop an enhanced discrimination capability against ballistic missiles.
- Fully funding U.S.-Israeli cooperative missile defense programs adding an additional \$173 million for the Arrow programs and David's Sling. Also fully funds Iron Dome procurement and adds \$15 million, as authorized, to establish a U.S. production capacity for the system.
- \$24.5 million for the expansion of the Marine Security Guards program to increase protection at embassies abroad, and nearly \$92 million to increase Marine Corps response forces stationed around the globe.

### **Supporting our Troops, Veterans, and their Families:**

The 3 million active duty, reserve, and civilian employees are the Department of Defense's most valuable resource. The bill protects investments in, and makes targeted increases for, the members of the Armed Forces, their families, and the civilian employees of the Department of Defense including:

- The Bipartisan Budget Agreement reduced the cost of living adjustment to the pension for all military retirees under age 62 by 1 percentage point. This also applies to medically retired servicemembers and those receiving survivor benefit plan annuities. The agreement includes a provision that overturns the application of the BBA to medically retired servicemembers and recipients of survivor benefit plan annuities to ensure the protection of retirement pay to these individuals while Congress re-examines the impacts to other military retirees.

- A one percent pay raise to members of the Armed Forces and the Department of Defense civilian workforce. This is the first pay raise for Department of Defense civilians in four years.
- Increases in funding to ease the Department of Veterans Affairs claims backlog by accelerating the transfer of DoD health care records.
- A \$218 million increase for TRICARE to ensure service members are not paying higher out-of-pocket costs for their health care.
- \$25 million for DoD to implement the Special Victims' Counsel Program across all Services to provide victims of sexual assault with legal assistance and support.
- Significant increases to DoD medical research efforts, including:
  - \$200 million for the Peer-Reviewed Medical Research Program;
  - \$125 million for Traumatic Brain Injury and Psychological Health;
  - \$100 million for the Joint Warfighter Medical Research Program;
  - \$120 million for breast cancer research;
  - \$80 million for prostate cancer research;
  - \$20 million for ovarian cancer research; and
  - \$25 million for other cancer research.
- \$20 million for suicide prevention initiatives, including resilience programs to ensure service members and their families overcome risk factors such as depression, post-traumatic stress, failed relationships, and financial difficulties.
- Protection of voluntary military education program quality through increased oversight and third-party auditing. The bill also establishes reporting requirements for advertising and marketing practices by higher education institutions that accept education benefits from the Department of Defense.
- \$80 million for programs aimed at helping our youth, such as Impact Aid, STARBASE, and the National Guard Youth Challenge.
- \$10 million is provided to State Directors for Psychological Health programs to implement embedded mental health programs in states with high risk for suicides.
- \$13 million for Beyond Yellow Ribbon initiatives such as National Guard and Reserve outreach and reintegration activities, employment enhancement programs and peer-to-peer hotline services for mental health and suicide prevention efforts.
- \$130 million for counter-drug state plans that fund the National Guard to train and support drug interdiction and counter-drug activities across the country.

## **Improving Fiscal Accountability:**

To meet the Bipartisan Budget Act spending caps, this bill eliminates billions in wasteful, unnecessary and duplicative funding across all branches of the military. Instead of indiscriminate across-the-board sequestration cuts, the bill proposes 1,065 specific cuts to programs and redirects some of those funds to higher priorities. The targeted reductions break down as follows:

- Improving Funds Management: Updated cost estimates and excess carryover of prior year funds result in billions of dollars that are not needed for defense programs this year.
- Restoring Acquisition Accountability: Detailed oversight of acquisition programs and practices show that programs can be reduced due to schedule delays, unwarranted unit cost growth, troubled acquisition strategies, or concurrency in test and production.
- Maintaining Program Affordability: Re-evaluation of defense strategies reveal unjustified growth in lower priority defense programs.
- Reducing Duplication: Cuts are proposed due to redundant programs, disparities found in budget justifications, or programs that have been terminated since the budget submission.

Specific examples include:

- Rescission of over \$2 billion in funding for delayed or terminated programs, some of which would be funded under a full-year CR, such as the Joint Cargo Aircraft.
- More than \$400 million in reductions from specific Navy programs as a result of GAO contract award protests. These protests resulted in delays for several programs, including the Air and Missile Defense Radar, Next Generation Enterprise Network, and the Next Generation Jammer.
- No funding for terminated programs that would otherwise be funded under a full-year CR, including the Army's MEADS air defense system and the LEMV airship.
- Delays in acquisition programs mean that requested funds can be deferred to future years. Significant reductions include: \$204 million from the Army's Warfighter Information Network-Tactical Increment II due to test issues; \$85 million from the Air Force's Space Fence radar system due to acquisition delays; and \$45 million from follow-on development of the Navy's E-2D Advanced Hawkeye aircraft due to contract delays.
- Reduction of \$40 million from Missile Defense Agency programs that lack approved requirements, schedules, or cost estimates.

## Detailed Summary

### **Military Personnel**

The bill provides \$128.8 billion in the base for military personnel. The recommended level fully supports the needed end strength and includes a 1 percent pay raise.

### **Operation and Maintenance**

The bill provides a total of \$221.3 billion in base and OCO funding for the military Services' operation and maintenance accounts. This is a reduction of less than 3 percent from the budget request, compared to a reduction of 7.8 percent in 2013 under sequestration. Full sequestration in 2014 would have reduced these accounts by at least 11 percent, further eroding the readiness of the force and potentially resulting in significant layoffs of civilian personnel.

Due to the challenges experienced by the military Services caused by sequestration in 2013, this bill protects readiness to the maximum extent possible and provides adequate resources to eliminate the need for civilian furloughs in 2014.

### **Procurement**

The bill provides \$92.9 billion for procurement. The bill also grants new start and multi-year procurement authority for programs to fill critical capability shortfalls, which would not occur under a full-year CR. Significant items include:

- Full funding for 29 Joint Strike Fighter aircraft and a production ramp to 39 aircraft in 2015. Under a full-year CR, DoD would be forced to procure fewer than the 29 aircraft in the President's request.
- Full funding for the Air Force CV-22 Osprey and C-130J Hercules. Also provides approval of the C-130J multi-year procurement contract which will result in at least 10 percent savings on aircraft purchases compared to single-year buys.
- Protection of the procurement quantities for Army CH-47 Chinook, AH-64 Apache, and UH-60 Black Hawk helicopters. Under full sequestration, the Army would be forced to procure as many as 15 fewer helicopters. The bill also provides an additional four UH-60 Black Hawk and ten UH-72 Lakota helicopters for the Army National Guard.
- Full funding for Navy EA-18G Growlers, P-8 Poseidons, E-2D Advanced Hawkeyes, MV-22 Ospreys, MH-60S/R helicopters, and Joint Primary Aircraft Training System aircraft. Also adds \$75 million for advance procurement of additional F/A-18E/F Navy fighter aircraft, and multi-year procurement authority for the E-2D Advanced Hawkeye, which will result in significant cost savings.

- Full support of the Navy’s shipbuilding plan by providing for new construction of eight ships, as requested, and ensuring that construction schedules will remain intact. Under a full-year CR, new aircraft carrier construction and renovations would be delayed, funding would be provided for the construction of the wrong types of ships, and there would be a \$700 million shortfall for the construction of new ships. Under the agreement, each of these problems is corrected.
- Full funding the Afloat Forward Staging Base (AFSB) and modifications for Special Operations Forces, neither of which would be funded under a full-year CR.
- \$90 million for the M1 Abrams tank program to maintain the industrial base for future tank production. Also adds \$45 million for the conversion of Stryker vehicles to the protective double “V” hull configuration for improved crew safety and survival.
- \$70 million to fully fund the requirement for Radar Digital Processors, a key element of upgrading the Patriot Missile Defense system and maximizing the capability of the MSE missile.
- Full funding of rocket motors for the Trident II (D5) missile program, \$32.9 million more than a full-year CR, supporting a critical component of our strategic deterrent.

### **Research, Development, Test and Evaluation**

The bill provides \$63.0 billion for research and development. The bill also provides new start authority for needed programs, which would not be allowed to proceed under a full-year CR. Significant items include:

- Increases to the Army, Navy and Air Force’s science and technology investment programs by \$400 million over the request.
- A \$92 million increase to the Air Force’s Long Range Strike bomber and full funding of the KC-46 tanker development. These programs are two of the top three priorities for the Air Force.
- Full funding for the Navy Ohio-class replacement submarine and MQ-4 Triton UAV development efforts. Under full sequestration, both efforts would have been delayed by at least one year.
- Full funding for the development of the Army’s top three modernization priorities: Armored Multi-Purpose Vehicle (AMPV); Joint Light Tactical Vehicle (JLTV); and Paladin PIM.
- \$334 million for the Combat Rescue Helicopter program to replace the aging Pave Hawk. These helicopters allow for the rescue of lost or stranded troops in enemy territory and humanitarian assistance at home and abroad. Replacement helicopters are needed due to the critically low readiness rate of the current fleet.
- Continuation of development funding for the Virginia-class submarine Payload Module.
- Restoration of development funds for multiple C-130 aircraft modernization programs, including propulsion upgrades.

## Overseas Contingency Operations

The bill provides \$85.2 billion for Overseas Contingency Operations. The bill:

- Supports the President's direction to draw down U.S. forces in Afghanistan to 34,000 by February 2014.
- Funds critical war supplies and equipment, to include: funds the Department's request for rockets, missiles, and ammunition; adds \$10 million for an Army shortfall in 105mm artillery ammunition; and adds \$50 million for continued modification of Mine-Resistant Ambush Protected (MRAP) vehicles returning from theater.
- Provides funding for the procurement of Army AH-64 Apache helicopters, CH-47 Chinook helicopters, and upgrades to OH-58 Kiowa Warrior helicopters.
- Reduces the Afghan Security Forces fund by \$3 billion to reflect DoD's revised requirements for Afghanistan, which includes a cut of \$365 million for Mi-17 helicopters. The bill includes restrictions on purchases from Rosoboronexport, the Russian arms export company.
- Includes transportation and retrograde costs as DoD prepares and ships thousands of cargo containers and pieces of equipment back to home stations. The bill also includes funding to repair and restore unit-level equipment to a condition that enables them to achieve required readiness levels and prepare for future deployments.

### Other

Transfer authority: The bill provides \$5 billion in transfer authority in the base budget, and \$4 billion in Overseas Contingency Operations.

Guantanamo: The bill retains previous restrictions on transferring detainees from Guantanamo to the United States, and prohibits funding to construct facilities in the United States to house detainees from Guantanamo. The agreement eases restrictions on transferring detainees to other countries by conforming to the National Defense Authorization Act for Fiscal Year 2014.

President of Afghanistan: The bill includes a general provision which prohibits funds from being used for the personal benefit of the President of Afghanistan.

Combat Uniforms: The bill restricts new development and fielding of service-unique camouflage combat uniforms in order to limit duplication and waste.

General and Flag Officers: The bill includes a reduction in funding for general and flag officers, to rein in expenditures for senior officers, their benefits, and staff.

## **Energy and Water Development**

The Fiscal Year 2014 Energy and Water Development funding legislation addresses the energy, water infrastructure, and nuclear security challenges facing the nation. The bill provides critical investments that will help develop clean and alternative energy sources, and protect the nation from nuclear terrorism.

The fiscal year 2014 bill provides a total of \$34.060 billion for the Army Corps of Engineers, the Department of the Interior, and the Department of Energy (DOE). The legislation is \$3 billion above the fiscal year 2013 post sequester enacted level, excluding emergency and supplemental funding.

### **DEPARTMENT OF ENERGY**

The legislation provides \$26.466 billion, an increase of \$1.317 billion above the fiscal year 2013 post sequester enacted level, for the Department of Energy.

- The Office of Science receives \$5.071 billion, \$450 million more than fiscal year 2013, to focus on breakthroughs in energy applications and develop the next-generation high performance computing systems.
- The Advanced Research Projects Agency-Energy (ARPA-E) receives \$280 million, \$29 million more than fiscal year 2013, to develop high-risk, but promising future energy technologies.
- Energy and Efficiency and Renewable Energy programs receives \$1.901 billion, \$182 million above fiscal year 2013, to advance biomass, electric vehicle, and energy efficient advanced manufacturing technologies.
- Defense Environmental Cleanup receives \$5 billion, \$381 million above fiscal year 2013.
- Weapons Activities receives \$7.845 billion, \$874 million above fiscal year 2013.
- Nuclear Nonproliferation receives \$1.954 billion, \$289 million below fiscal year 2013.
- Naval Reactors receives \$1.095 billion, \$101 million above fiscal year 2013.

### **ARMY CORPS OF ENGINEERS**

The legislation provides \$5.467 billion, an increase of \$748 million above the fiscal year 2013 post sequester enacted level, for the Army Corps of Engineers.

- General Investigations receives \$125 million, \$7 million above fiscal year 2013.
- Construction, General funding receives \$1.656 billion, \$69 million above fiscal year 2013.
- Operations and Maintenance receives \$2.861 billion, \$575 million above fiscal year 2013.
- The Mississippi River and Tributaries receives \$307 million, \$68 million above fiscal year 2013.

- Formerly Utilized Sited Remedial Action Program receives \$103 million, \$3 million above fiscal year 2013.

### **DEPARTMENT OF THE INTERIOR**

The legislation provides \$1.113 billion, which is \$99 million above the fiscal year 2013 post sequester enacted level, for the Department of the Interior.

- The Bureau of Reclamation's Water and Related Resources account receives \$954 million, \$106 million above fiscal year 2013.
- The Bureau of Reclamation's Central Valley Project Restoration Fund account receives \$53 million, \$3 million above fiscal year 2013.
- The Bureau of Reclamation's California Bay-Delta Restoration account receives \$37 million, \$1 million below fiscal year 2013.

### **INDEPENDENT AGENCIES**

The legislation provides \$265 million, which is \$25 million above the fiscal year 2013 post sequester enacted level, for independent agencies under Title IV of the bill.

- The Nuclear Regulatory Commission receives \$129 million, \$3 million above fiscal year 2013.
- The Defense Nuclear Facilities Safety Board receives \$28 million, \$1 million above fiscal year 2013.

## Financial Services and General Government

Overall, the fiscal year 2014 Financial Services and General Government Appropriations bill includes discretionary budget authority of \$21.851 billion, \$1.909 billion more than what these agencies would have received under a 2014 full-year continuing resolution.

### **The bill protects the public and consumers in three key ways:**

- Safeguarding our financial system from abusive and illicit practices such as money laundering;
- Promoting a fair, safe, and robust marketplace by preventing and enforcing against fraud, unfair business practices, and unreasonable risks of injury or death from consumer products and by promoting rapid a communications network; and
- Creating jobs by supporting Americans in starting, building, and growing small businesses and by providing seed financing for community development.

### *Safeguarding our Financial System*

**Financial Crimes Enforcement Network (FinCEN):** The battle against terrorism and crime must be fought on all fronts, including by tracking and disrupting illicit financial activity and preventing terrorists, criminals, and rogue nations from accessing the U.S. financial system to launder proceeds from crimes that threaten our national security. The bill provides \$112 million for the FinCEN, which plays a critical role in safeguarding our financial system by collecting and disseminating financial data; creating and enforcing regulations to promote safety and security in U.S. financial institutions; and supporting federal, state, and local law enforcement efforts to fight and stop terrorist financing, money laundering, narcotics trafficking, and other illicit financial activity. This funding level is \$7 million above a FY 2014 full-year CR level.

### *Protecting the Public and Consumers*

**Consumer Product Safety Commission (CPSC):** To help protect the public against risks of injury from consumer products, the bill provides \$118 million, for the CPSC. This level is \$9.5 million (or 9%) above a FY 2014 full-year CR level. With this funding, CPSC will continue to enhance import surveillance activities at the nation's ports of entry to prevent hazardous products from entering the U.S. consumer marketplace. The CPSC will continue development of mandatory product safety rules for durable infant and toddler products. It will expand global outreach efforts to help safer products enter the United States. In addition, CPSC will be able to continue interagency research on nanotechnology to study exposure and potential health risks of nanomaterials in consumer products. Finally, with the \$1 million increase and the language included, CPSC will be able to implement provisions of the Virginia Graeme Baker Pool and Spa Safety Act.

**Federal Trade Commission (FTC):** A marketplace can only thrive if consumers can count on robust, open competition and trustworthy information about products and services. The bill provides \$298 million for the FTC to detect and eliminate illegal collusion, prevent anticompetitive mergers, combat consumer fraud, fight identity theft, and promote consumer privacy. Since the financial crisis, the FTC has been particularly diligent about working to protect consumers from mortgage and debt reduction scams. The bill enables the FTC to continue to protect consumers and markets, and represents a \$3 million increase above a FY 2014 full-year CR level.

**Federal Communications Commission (FCC):** Promoting and maintaining a robust yet adaptable communications network is critical to our daily lives – from communicating during emergencies, to promoting economic growth, to fostering political debate and individual expression. The bill provides \$339 million for the FCC, an increase of \$17 million above a FY 2014 full-year CR level, to carry out this mission, while at the same time, ensuring all Americans have access to the system by promoting competition and protecting consumers.

### Supporting Job Creation

**Small Business Administration (SBA):** Ensuring small businesses have the tools to grow is critical for our nation's fragile economic recovery. Over the last two decades, small and new businesses created two out of every three net new jobs in the U.S., and today over half of all working Americans own or work for a small business. To ensure that small businesses have access to credit and critical technical assistance, the bill includes \$929 million for the SBA. The bill also provides \$196 million for entrepreneurial development grants that provide technical assistance, training, and business planning guidance for starting and growing small businesses. Finally, the bill includes \$192 million to support disaster lending to businesses of all sizes, homeowners, and renters recovering after major disasters, such as Hurricane Sandy.

**Community Development Financial Institutions Fund (CDFI):** Investing in our communities is more critical than ever as our economy works to recover. The CDFI Fund has a unique ability to leverage private sector investment in community development projects like affordable housing, retail development, and lending to small businesses, filling some of the gap left by private sector investment after the financial crisis. The bill supports community development in underserved areas, including in Tribal nations, by providing \$226 million for the CDFI Fund. This level of funding is \$17 million above a FY 2014 full-year CR level and will support Treasury's efforts to promote CDFI expansion into underserved communities, especially in rural areas. The bill also authorizes Treasury to guarantee \$750 billion in bonds to CDFIs, at no cost to the taxpayer, by providing long-term, low-rate financing for community development in our nation's communities hardest hit by the economic downturn.

## HIGHLIGHTS OF OTHER KEY FUNDING ITEMS

**Internal Revenue Service:** The bill provides \$11.199 billion in base funding for the Internal Revenue Service. In addition, the bill provides \$92 million to help address identity theft and refund fraud, combat offshore tax evasion, and improve delivery of services to taxpayers. The bill directs the IRS to intensify its scrutiny of questionable practices of payroll service providers and continue to inform taxpayers of their responsibility for payment of all Federal and State employment taxes notwithstanding any contractual relationship with a payroll service provider. The bill requires the IRS to issue to both the employer's former and new address a notice of confirmation of any address change relating to employment tax payments, and to give special consideration to an offer-in-compromise from a taxpayer who has been the victim of fraud by a third party payroll tax preparer.

**The Federal Judiciary:** Our citizens rely on a federal court system that guarantees the rights of all Americans, ensures the right to a defense, and secures public safety through the use of probation officers supervising offenders living in our communities. The bill provides \$6.516 billion in discretionary funding, an increase of \$316.4 million or 5% above a FY 2014 full-year CR level. Since July 2011, the courts have been forced to downsize by nearly 2,100 employees due to budget constraints, a 10 percent loss of staff. This funding level is based upon the latest estimates of the Judiciary's needs and ensures that staffing and resources will be available for court offices, probation, and pretrial services offices. It restores severe cuts to Federal Defender offices and ensures that they are adequately staffed.

**General Services Administration:** The bill allows for significant investments in the government's capital projects, providing a total of \$1.65 billion for construction and repair of federal buildings and courthouses. For the past 3 years, funding levels for construction and repair of buildings have been drastically reduced, causing a backlog and disadvantaging federal tenant agencies that have been paying rent but not receiving needed building repairs or improved buildings.

**Inspectors General:** Throughout the Federal Government agency Inspectors General serve as instrumental watchdogs of government operations, programs, and use of resources to prevent and detect waste, fraud and abuse, and promote economy, effectiveness and efficiency. Inspectors General, while independent, are expected to keep the agency head and Congress fully and currently informed of weaknesses, egregious and flagrant problems, and recommendations for corrective action. The bill provides funding for various Inspectors General as follows:

- Treasury Inspector General: \$35 million, an increase of \$7 million;
- Treasury Inspector General for Tax Administration: \$156.4 million, an increase of \$12.6 million above a FY 2014 full-year CR level;
- General Services Administration Inspector General: \$62.9 million, an increase of \$5 million;
- National Archives Inspector General: \$4 million, an increase of \$244,000; and
- Office of Personnel Management Inspector General: \$26 million, an increase of \$1.7 million.

Agencies funded in the bill are directed to submit, as part of their FY 2015 Congressional budget justifications, an explanation of how proposed agency spending addresses the top management challenges identified by the agency's Inspector General.

**National Archives and Records Administration:** The bill includes \$369 million for the national record keeper tasked with managing the Government's archives and records, operating the Presidential libraries, administering the Information Security Oversight Office, publishing the Federal Register, making grants for historical documentation, mediating FOIA disputes, and coordinating controlled unclassified information. This is \$15 million above a FY 2014 full-year CR level. The bill designates \$4.5 million for the National Historical Publications and Records Commission, a grant-making agency whose only focus is the documentary heritage of the United States.

**Office of Special Counsel (OSC):** The bill provides \$20.64 million to support the work of the OSC, the independent investigative and prosecutorial agency responsible for safeguarding the merit system by protecting federal employees and applicants from prohibited personnel practices, especially reprisal for whistleblowing. The funding level is an increase of \$2.7 million (15%) above a FY 2014 full-year CR level. The bill also allows the OSC to use certain expired fund balances to address other needs. OSC administers the Hatch Act, pursues prohibited personnel practices, and handles claims of service members under the Uniformed Services Employment & Reemployment Rights Act. The increased resources will help the OSC address its expanded responsibilities under the Whistleblower Protection Enhancement Act of 2012.

**District of Columbia:** The bill provides \$673 million in special Federal payments for over a dozen distinct accounts relating to the operations of the District of Columbia. The total level represents an increase of \$33 million (5%) above a FY 2014 full-year CR level. Approximately \$550 million (82%) of the total funds are designated for operations of the local courts (\$232 million), public defender services (\$91 million) and pre-trial and post-conviction offender supervision services (\$226 million) that are entirely dependent on Federal funds for their operations and independent of the local government. The remaining \$123 million (18%) are designated for an array of District government purposes, including \$78 million for several education-related functions, \$14 million for the Clean Rivers Project to remediate combined sewer overflow, and \$24 million for emergency planning and security, of which \$8.9 million is for reimbursement of expenses of the 57th Presidential Inauguration. The agreement also approves the District's annual \$12 billion local operating budget, and includes a one-year provision that would prevent a shutdown of the District of Columbia by allowing the District to spend its FY 2015 local funds on and after October 1, 2014 in the event of a lapse in federal appropriations.

## **Homeland Security**

As part of the omnibus appropriations bill, the fiscal year 2014 funding legislation totals \$46.6 billion for the Department of Homeland Security. This is an increase of \$1.14 billion above the post-sequestration funding level for fiscal year 2013 and \$242 million above the President's request, after factoring out emergency supplemental appropriations, disaster relief cap adjustments, and funding for overseas contingency operations. The appropriation includes \$45 billion for discretionary programs, including \$227 million for the Coast Guard's overseas contingency operations and \$5.626 billion for FEMA through a disaster relief cap adjustment to the Budget Control Act.

### **Bill Summary**

Within the past year, our Nation has witnessed a substantial rise in attempts and attacks on our country from homegrown terrorists. At the same time, threats from individuals and terrorists abroad have not abated. We also face dire consequences from natural disasters, which can have devastating impacts on our cities, coastlines, and rural areas. This bill addresses these risks, while at the same time ensuring that other vital missions of the Department, such as enforcing our immigration laws, facilitating legitimate trade and travel, protecting our currency, securing our cyber networks, interdicting illegal drugs and migrants, and rescuing mariners in distress, are adequately funded. This bill supports DHS' efforts to secure the Nation from many threats by funding five core mission areas:

- preventing terrorism and enhancing security,
- securing and managing U.S. borders,
- enforcing and administering our immigration laws,
- safeguarding and securing cyberspace, and
- ensuring resilience to disasters.

### **Preventing Terrorism and Enhancing Security:**

Guarding the United States against terrorism is the cornerstone of homeland security. To do so, the Department focuses on: preventing terrorist attacks; addressing evolving threats to our maritime and transportation systems as well as to the global supply chain; preventing the unauthorized acquisition, importation, or use of chemical, biological, radiological, and explosive materials; investing in cutting edge research to address chemical, biological, explosive and nuclear threats; and reducing the vulnerability of critical U.S. infrastructure and resources to terrorist attacks and other hazards. Every agency within DHS has an important role in these efforts.

The bill provides \$10.2 billion to the **Coast Guard**, of which \$8.74 billion is discretionary spending and \$1.460 billion is mandatory spending. The Coast Guard is responsible for securing our maritime safety security and is the only military organization within the Department. Unlike military services in the Department of Defense, the Coast Guard is also a law enforcement and regulatory agency with broad domestic authorities. Funding provided in this bill supports over 41,000 military employees, 250 cutters, 1,800 boats, and 190 aircraft protecting over 95,000 miles of shoreline.

The bill includes a total of \$1.376 billion for capital expenditures, \$425 million above the request.

The following key capital investments are included:

- \$629 million for the National Security Cutter, including acquisition of the seventh cutter and long-lead time material for the eighth cutter;
- \$310 million for six Fast Response Cutters (four above the request);
- \$92 million for a C-130J aircraft;
- \$23 million for the pre-acquisition design work of the Offshore Patrol Cutter;
- \$10 million for four Response Boat Mediums;
- \$2 million for acquisition planning and design of a new polar icebreaker; and
- \$18 million for military housing.

The bill provides \$7.365 billion for the **Transportation Security Administration (TSA)**, \$152 million above fiscal year 2013 post sequestration. This amount is reduced by offsetting collections and fees totaling \$2.12 billion. TSA is responsible for protecting all modes of transportation through a security system that permits for the free of movement for people and commerce. The bill includes funding to support approximately 47,000 Transportation Security Officer FTEs, 37 Visible Intermodal Prevention and Response Teams, 931 canine teams, and continues funding Federal screening of airport exit lanes.

The bill includes \$177.2 million for technologies to screen air passengers and their belongings for explosives and other prohibited items; \$93.2 million for Secure Flight, which matches passenger data against records contained in portions of the Terrorist Screening Database; \$83.3 million for Other Vetting programs, including funds to expand the number of lower-risk passengers eligible for expedited screening; and \$24.7 million for the Federal Flight Deck Officer and Flight Crew Training program, instead of requiring the airline industry to pay for this activity as proposed in the budget request.

The bill provides \$263 million for **Infrastructure Protection** within the National Protection and Programs Directorate, \$24 million above fiscal year 2013 post sequestration. Within this total is:

- \$63 million for infrastructure analysis to support decision making and prevent cascading effects from man-made and natural threats such as those perpetrated by the bombings in Boston, caused by the explosion of the chemical facility in West, TX, or produced by Hurricane Sandy; and
- \$81 million to implement standards to prevent terrorists from gaining access to chemicals that can be converted into weapons of mass destruction.

The bill provides \$127 million for the **Office of Health Affairs**, which is \$6 million below fiscal year 2013 post sequestration. Included in the total is \$85 million for the BioWatch program, to sustain current operations of the biological threat detection system deployed throughout the United States. While the agreement supports ongoing efforts to improve the Nation's biological detection capabilities, no funding is recommended for acquisition of the Generation 3 technology until the Secretary provides a clear path forward for this development.

The bill provides a total of \$404 million for the **National Bio and Agro Defense Facility**, \$366.5 million above fiscal year 2013. This facility will house research to prevent the accidental or intentional introduction of deadly animal diseases into the United States.

A total of \$21 million above the fiscal year 2013 level is provided to strengthen the Department's ability to **safeguard and share classified information** with its federal, state, and local partners, and to help deter the unauthorized release of such information. In the wake of past and recent public disclosures of critical national security information, such safeguards are vital to ensuring effective controls are in place to prevent the illicit removal and dissemination of classified information.

The bill provides \$3 million for the "If You See Something, Say Something" campaign to prevent, mitigate, and respond to mass casualty events, including those involving active shooters and improvised explosive devices.

The bill provides \$2 million for efforts to counter domestic violent extremism, \$135,000 above fiscal year 2013, within the Office for Civil Rights and Civil Liberties. Given the terrorist attacks in Boston, the Department should be strengthening and expanding its activities to counter violent extremism in the coming months and year.

The bill fully funds the Federal Law Enforcement Training Center's active shooter threat program, enabling them to expand their training for State, local and tribal police agencies.

### **Securing and Managing Our Borders:**

The protection of our Nation's land, air, and sea borders from the illegal entry of people, weapons, drugs, and other contraband while facilitating lawful travel and trade is a vital mission of the Department of Homeland Security because our Nation's economic prosperity depends on it. To do so, the Department focuses on three interrelated areas: effectively securing U.S. air, land, and sea borders; safeguarding and streamlining lawful trade and travel; and disrupting and dismantling transnational criminal and terrorist organizations. Examples of how this bill funds these efforts follow:

The bill provides \$10.58 billion in appropriations for **Customs and Border Protection (CBP)**, \$715 million above fiscal year 2013 post sequestration. This level:

- Funds 21,370 Border Patrol agents, sustaining the increased levels approved in the fiscal year 2010 Border Security Supplemental Appropriations Act, sustains 21,775 CBP officers currently working at our 329 ports of entry today, and funds 2,000 new CBP officers to be hired through fiscal year 2015. These additional CBP officers will expedite the processing of tourists and trade so vital to our economy;
- Adds \$90.6 million above the request for Air and Marine operations and procurement of critical assets to defend our borders, including enhanced radar for unmanned aircraft systems. This increase will restore the 29 percent cut to flight hours proposed in the budget, restoring critical counterdrug, alien smuggling and disaster response missions; and
- Adds \$10 million above the request for trusted traveler programs such as additional Global Entry kiosks, more mobile document readers, expanding the integrated traveler process, and expanding activities at existing preclearance locations, as well as for border transformation programs such as the land border integration effort and the port runner/absconder program.

The bill provides \$227 million for the **Office of Biometric Identity Management**, essentially the same level as fiscal year 2013. This funding helps assure national security, public safety, and the integrity of our immigration laws by sharing real-time biometric and identity data between the Departments of Homeland Security, Justice, Defense, and State so we can monitor who legally enters and exits our country. The bill transfers the Arrival Departure Information System to CBP, as it is in charge of entry and exit policy and operations.

The bill provides \$285 million for the **Domestic Nuclear Detection Office (DNDO)**, \$21 million below fiscal year 2013 post sequestration. This amount includes \$14 million for the purchase of human portable radiation detectors for DHS personnel, \$22 million for the Securing the Cities program, and \$71 million for research and development of next-generation detection technologies.

### **Enforcing and Administering our Immigration Laws:**

In the area of immigration, the Department of Homeland Security is focused on ensuring enforcement of U.S. immigration laws while streamlining and facilitating the legal immigration process. To do so, the Department identifies and removes criminal aliens who pose a threat to public safety and targets employers who knowingly and repeatedly break the law. This bill provides resources for these enforcement efforts while also providing resources to promote adherence to worksite-related laws and for immigrant integration. Specifically:

The bill provides \$5.614 billion for **Immigration and Customs Enforcement (ICE)**, \$171 million above fiscal year 2013 post sequestration. This funding:

- Provides a total of \$2.785 billion for detention and removal operations, \$194 million above the request. This level provides an appropriate immigration enforcement balance between detention beds, alternatives to detention, and transportation and removals;
- Continues funding for ICE to conduct analysis of people who overstay their visas, an activity begun in 2013 with a transfer from the US-VISIT program;
- Provides funding above the request to restore current staffing levels for Special Agents, immigration officials, intelligence analysts, and support staff performing critical ICE missions; and
- Provides \$15 million above the request for human trafficking, smuggling, child exploitation, and overstay investigations as well as investigations into trade compliance and commercial trade fraud - rewarding recent successes that ICE special agents have had with more than \$1 billion in currency seizures and more than 6,000 criminal arrests.

The bill provides \$116.4 million in direct appropriations to **United States Citizenship and Immigration Services (USCIS)**, \$10 million above fiscal year 2013 post sequestration. This level:

- Fully funds the \$113.9 million request to maintain and improve the employment eligibility verification system known as E-Verify; and
- Provides \$10 million for immigrant integration grants, \$2.5 million through appropriations and an additional \$7.5 million through fees.

### **Safeguarding and Securing Cyberspace:**

The Department of Homeland Security is responsible for securing unclassified Federal civilian government networks and working with owners and operators of critical infrastructure to secure their networks through risk assessment, mitigation, and incident response capabilities. To combat cybercrime, the Department leverages the skills and resources of its law enforcement agencies to investigate and prosecute cyber criminals. With cybersecurity threats evolving at an alarming rate, resources are provided to identify cyber attacks or probes, remediate against these threats, and make our systems harder to strike. Funding in this critical area is as follows:

Of the \$1.187 billion recommended for the **National Protection and Programs Directorate's Infrastructure Protection and Information Security Program**, a total of \$792 million is provided for cybersecurity protection of Federal networks and incident response, \$96 million above fiscal year 2013 post sequestration. Included within this amount is:

- \$382 million for intrusion detection on civilian Federal networks;
- \$200 million to build on a new monitoring and diagnostics program begun in 2013 to better protect civilian Federal networks against threats through real time analysis of day-to-day activity; and
- \$15.8 million for cybersecurity education to train future cyber warriors.

Within the \$1.58 billion provided for the **Secret Service**, the bill expands the amount of cyber training provided by the Secret Service to state and local law enforcement officials, including judges; continues the growing cooperation between the Secret Service and the FBI in cybersecurity; and maintains the Secret Service's primary role in protecting U.S. financial systems in cyberspace.

### **Ensuring Disaster Resilience:**

The Department of Homeland Security is responsible for coordinating a comprehensive Federal effort to prepare for, protect against, respond to, recover from, and mitigate a terrorist attack, natural disaster, or other large-scale emergency. To accomplish this it must work with individuals; communities; the private and nonprofit sectors; faith-based organizations; and Federal, state, and local partners to ensure a swift and effective recovery. Key efforts focus on building a ready Nation, building the Nation's capacity to stabilize and recover from a catastrophic event, providing training to our homeland security partners, and leading and coordinating national partnerships to foster resilience across the private sector.

The bill provides \$6.22 billion for the **Disaster Relief Fund**, of which \$5.626 billion is provided pursuant to the Budget Control Act disaster relief adjustment as requested. The fiscal year 2014 funding will support the estimated costs associated with an average disaster year as well as the costs of recovery from previous major disasters such as Hurricanes Sandy, Irene, Katrina, Rita, Gustav and Ike; the Colorado wildfires; the Oklahoma tornadoes; and other previous disasters.

The bill provides \$947 million for **FEMA Salaries and Expenses**, \$17 million above fiscal year 2013 post sequestration. Included in the amount is \$35.2 million for Urban Search and Rescue Teams used for rescue and initial medical care of victims in large scale disasters. Further, it continues funding for modernization of information technology systems which are critical to sustaining FEMA's reforms since the Post-Katrina Emergency Management and Reform Act.

The bill provides \$1.5 billion for **State and Local preparedness grant programs**, \$100.4 million above the comparable fiscal year 2013 level post sequestration. The bill does not include grant reform as proposed in the President's budget request, as a complete legislative proposal has not been submitted to the authorizing Committees of jurisdiction. Instead, this bill continues to allocate funding in the same manner as in fiscal year 2013. Included in the total is:

- \$411.4 million for State Homeland Security Grants;
- \$55 million for Operation Stonegarden;
- \$587 million for the Urban Area Security Initiative;
- \$13 million for Non-profit Security Grants;
- \$90 million for Transit and Rail Security Grants;
- \$10 million for Amtrak security;
- \$100 million for Port Security grants; and
- \$233.7 million for Education, Training, and Exercises including
  - \$29 million for continuing training grants to include hazardous materials training as a result of the incidents at chemical facilities in West Texas and Geismar, Louisiana;
  - \$20.6 million for the Emergency Management Institute; and

- \$98 million for the National Domestic Preparedness Consortium.

The bill also provides funding for the following programs:

- \$340 million each for the fire equipment grant program and the firefighter hiring grant program (\$680 million total), additionally, the Secretary may waive certain provisions of the firefighter hiring program, if conditions warrant;
- \$350 million for Emergency Management Performance Grants;
- \$25 million for Predisaster Mitigation grants;
- \$95.2 million for Flood Mapping and Risk Analysis;
- \$44 million for the United States Fire Administration; and
- \$120 million for the Emergency Food and Shelter Program.

**Other Initiatives:**

- To deal with the troubling growth in sexual assaults in the military, the bill adds funding for six regional coordinators to strengthen the Coast Guard's sexual assault prevention and response program.
- Requires the TSA Administrator to certify that one in four members of the traveling public is eligible for expedited screening and requires a strategy to expand the eligibility of the traveling public to 50 percent by the end of calendar year 2014.
- Requires TSA to provide specialized customer service training to all airport screeners in order to aid passengers who need extra assistance at the checkpoint.
- Authorizes CBP to create a pilot program to test the validity of partnering with private and public entities to meet the growing demand for new facilities, ongoing modernization needs at ports of entry, and certain services. This authority enables CBP to enter into reimbursable agreements for additional CBP services at ports of entry, including agreements at no more than five airports, and enables CBP to accept donations under certain circumstances.
- Requires CBP to evaluate the effectiveness of its existing passenger processing methods.
- Delays implementation of flood insurance increases for one year. This delay is for properties that were built in compliance with an effective flood insurance rate map but have since been remapped into a different flood risk zone or base flood elevation.

### **Administrative Savings and Reforms:**

In an effort to maximize resources for front line missions, the bill: approves \$1.3 billion of administrative savings; rescinds \$693 million from low priority programs; requires the Inspector General to report on non-competitive contracts; limits travel to international conferences; requires an Inspector General Review of travel booking expenditures; requires FEMA and the Inspector General to develop improvements to prevent misuse of disaster recovery funding; allows for the decommissioning of four Coast Guard patrol boats that have become too expensive to maintain, saving \$4.5 million; and statutorily mandates 31 expenditure plans to promote congressional oversight and effective execution of appropriated funds. These cuts come on top of over \$800 million in similar savings and \$307 million of rescissions in the FY 2013 DHS Act.

## Interior, Environment, and Related Agencies

The FY 2014 agreement for the Interior bill includes \$30.058 billion in funding for the Department of the Interior, Environmental Protection Agency (EPA), Forest Service, Indian Health Service and other related agencies, an increase of \$1.786 billion above the FY 2013 post-sequestration level.

The agreement includes the following priorities:

- **EPA furlough relief.** Within EPA, \$86 million additional funds above sequestration are provided to avert the continuation of furloughs experienced in FY13.
- **Water infrastructure investments.** The Clean Water State Revolving Fund is funded at the Senate level of \$1.45 billion, an increase of \$73 million above the post-sequestration level and \$354 million above the request. The Drinking Water State Revolving Fund is funded at the Senate level of \$907 million, an increase of \$46 million above the post-sequestration level and \$90 million above the request. The agreement includes language applying a Buy America preference to iron and steel products used in projects that utilize the Clean Water and Drinking Water State Revolving Funds.
- **Sequester relief for State environmental programs.** Within the EPA budget, \$1.054 billion will be distributed to the states. This level is \$22 million above the post-sequestration level.
- **Support for the Land and Water Conservation Fund.** Provides \$306 million to the Department of the Interior and the Forest Service for the purchase and protection of lands through the Land and Water Conservation Fund.
- **Smithsonian Institution.** The agreement provides \$805 million for Smithsonian Institution programs and facilities construction, an increase of \$32 million above the post-sequestration level. This amount includes \$55 million to continue the federal funding commitment for construction of the National Museum of African American History and Culture. An additional \$15 million has been included to expand staff for curatorial work and other programmatic and operational activities required for the museum's opening in 2015.
- **National Endowments for the Arts & Humanities.** The agreement provides \$146 million each for the NEA and NEH to support arts and humanities programs, a total of \$16 million above the post-sequestration level.
- **Department of the Interior.** Provides \$10.4 billion for the Interior Department, an increase of \$492 million above the FY13 post-sequestration level.

- **National Park Service.** The agreement includes \$2.5 billion for the National Park Service, \$163.9 million above the 2013 post-sequestration level. The total amount includes \$2.3 billion for the Operation of the National Park System of which \$238.9 million is for Visitor Services to enhance the visitor's park experience. The agreement also provides \$18.3 million for National Heritage Areas and extends the authorization of 12 National Heritage Areas through 2015.
- **Woodrow Wilson International Center for Scholars.** The agreement includes a total of \$10.5 million for the Wilson Center, \$87,000 over the post-sequestration level.
- **Increased funding for national wildlife refuges.** \$472 million for the operations of national wildlife refuges, an increase of \$20 million above the FY 2013 sequester level.
- **Geographic Programs.** EPA Geographic Programs are funded at \$416 million, an increase of \$28 million above the post-sequestration level and \$5 million above the request. Within Geographic Programs, the Great Lakes Restoration Agreement receives \$300 million, an increase of \$16 million above post-sequestration.
- **Indian Affairs and Indian Health Service.** The agreement includes \$2.5 billion for the Bureaus of Indian Affairs and Education, \$142.2 million above the 2013 post-sequestration level. This funding supports public safety, education, resource management and tribal government programs in Indian communities. It also provides \$4.4 billion for the Indian Health Service, including \$3.7 billion for health services and \$451.6 million for health facilities, a total increase of \$304 million above the post-sequestration level. The agreement provides funding for contract support costs in accordance with the *Salazar v. Ramah Navajo Chapter* Supreme Court decision.
- **Critical firefighting funding.** Makes available more than \$3.9 billion for firefighting and hazardous fuels reduction activities on Federal lands, including the President's request to meet the U.S. Forest Service and Department of the Interior ten-year average of fire suppression costs and \$629 million provided in the Continuing Appropriations Act, 2014 (P.L. 113-46) for fire transfer reimbursements in fiscal year 2013.

## **Labor, Health and Human Services, Education, and Related Agencies**

**National Institutes of Health** – The bill includes a \$1 billion increase to the NIH compared to fiscal year 2013 post-sequester. This amount should allow the NIH to continue all current research programs and begin approximately 385 additional research studies and trials.

The agreement includes new funding for the Brain Research through Application of Innovative Neurotechnologies [BRAIN] Initiative, a multi-agency effort that also involves the National Science Foundation and the Defense Advanced Research Projects Agency as well as several private sector partners. The BRAIN Initiative will help catalyze work to accelerate the development and application of new technologies that will help explain how the brain records, processes, uses, stores, and retrieves information.

In addition, the bill includes sufficient funding for the proposed initiative to study new ways to prevent and cure Alzheimer's disease. The total payments for healthcare, long-term care, and hospice for people with Alzheimer's and other dementias are projected to increase from \$203 billion in 2013 to a staggering \$1.2 trillion in 2050. Without a medical breakthrough to prevent, slow, or stop the disease, Medicare and Medicaid costs related to Alzheimer's could rise an estimated 500 percent. Research is desperately needed to bring those costs under control.

**Early childhood care and education:** The bill includes significant new investments that support high quality early learning programs. Together these investments address programs for children from before birth through age five, and across settings.

**Head Start** – Includes \$8.6 billion, a \$1.025 billion increase, for Head Start, which provides comprehensive early childhood services to children and families from before birth through age five. This increase restores cuts from sequestration and on top of that supports an approximately 1.3% cost of living adjustment for all current grantees. This will help restore slots lost because of sequestration, allow grantees to retain and recruit highly qualified staff, and otherwise keep pace with rising costs in order to maintain high quality services.

The increase for Head Start includes \$500 million to expand Early Head Start, for children and families from before birth through age 3, including the establishment of new Early Head Start-Child Care Partnerships. This increase will provide high quality Early Head Start services to approximately 40,000 additional children, a more than one-third increase. Through new Early Head Start-Child Care Partnerships, Early Head Start providers will partner with local center and home-based child care programs to improve the quality of those programs to meet Early Head Start standards. This leverages investments through the Child Care and Development Fund, and will further improve the quality of early childhood care and education options for infants and toddlers.

**Child Care and Development Block Grant** – Includes \$2.36 billion for the Child Care and Development Block Grant, which provides grants to states for child care assistance to working families, and to otherwise improve the quality of child care programs. This is a \$154 million increase over the fiscal year 2013 level, which will support child care

assistance for an estimated 22,000 additional children and their working families. These are families who are working, or looking for work, and depend on quality, affordable child care in order to do so.

**Race to the Top—Preschool Development.** The bill allows \$250 million to be used for grants to States to help them develop, enhance or expand high quality preschool programs for children ages 4 and over and from low- and moderate income families or for other State early learning activities that improve the quality of such programs.

**Community Health Centers (CHCs).** The bill includes \$3.6 billion, a \$700 million increase, to provide comprehensive, quality health care services to medically underserved communities and vulnerable populations. This includes \$350 million to create over 450 new community health centers across the nation and expand clinical services at existing health centers. These facilities provide crucial and effective health care for families in need, while at the same time creating good jobs in our communities. Programs supported by this funding include community health centers, migrant health centers, healthcare for the homeless, and public housing health service grants.

**HIV/AIDs Programs.** The bill includes \$2.3 billion, a \$70 million increase, to provide HIV-related services to more than half a million people each year. This includes \$900 million for the AIDS Drug Assistance program (ADAP), a \$38 million increase, which continues the \$24 million World AIDS transfer and adds an increase of \$14 million. This increase will provide approximately 2,300 additional patients with access to life-saving HIV medications and help to shorten ADAP wait lists.

**Mental Health.** The bill includes \$1.13 billion for mental health programs, an increase of \$213 million. The bill provides \$115 million for the Now is the Time violence prevention initiative: mental health first aid grants, allowing teachers to reach 750,000 students with the goal of recognizing those with mental illness early and referring them to treatment; 20 grants to State Education Authorities (SEAs) to promote comprehensive programs in 1,000-1,500 schools to refer students with mental health issues to needed services; mental health workforce training which will add an estimated 4,375 social workers, psychologists, therapists and other mental health professionals to the behavioral health workforce; and \$20 million for programs targeting young adults at high risk of mental illness. The bill also provides a \$47 million increase for the Mental Health Block Grant, along with a new set-aside for early intervention programs for those with serious mental illness such as psychosis.

**IDEA/Special Education** – The bill provides \$498 million more for Special Education State Grants than the fiscal year 2013 level – enough to cover the costs of employing roughly 6,000 additional special education staff. Without this increase, state and local taxpayers would foot the bill for supporting services needed by special education students. The bill provides \$11.473 billion for this program.

**Title I/Disadvantaged Schools** – The bill provides \$14.4 billion for Title I funding. These funds help schools, particularly those with concentrations of economically disadvantaged students, meet high academic achievement standards. This increase of \$625 million will support services to an estimated 1 million additional students. Roughly 90 percent of the nation’s school districts receive title I funding.

**Safe Schools** – The bill includes \$140 million, an increase of \$29 million, for activities that support safe school environments. Funds may be used to develop or upgrade emergency management plans, create positive school climates and address issues of pervasive violence in some of our communities. Safe, positive school environments can help reduce unhealthy student behavior, increase academic achievement, and counter the effects that violence can have on students.

**21<sup>st</sup> Century Community Learning Centers** – The bill provides \$1.149 billion, an increase of \$58 million, to support additional learning time programs in communities throughout our nation.

**Impact Aid.** The bill provides \$1.3 billion, an increase of \$65 million, for impact aid education programs. These funds help school districts make up for lost revenue or address increased costs associated with a federal activity, such as a military base.

**Pell Grants** – The bill maintains level funding for the Pell Grant program at \$22.8 billion. Combined with mandatory funding, the total maximum award is estimated to rise by \$85 to a total of \$5,730. The Department of Education will announce the actual mandatory increase, which is based on calendar year 2013 Consumer Price Index data, next month. The number of recipients is estimated to increase by 186,000, from 9,125,000 in 2013-14 to 9,311,000 in 2014-15.

**First in the World** – The bill includes \$75 million to create the First in the World Initiative in the Department of Education. This initiative will provide grants to colleges and universities to implement innovative and effective strategies that improve outcomes and reduce the net price paid by students.

**TRIO Programs** - The bill includes \$838 million, an increase of \$42 million, to help low-income and first generation college students plan, prepare for, and succeed in college through the TRIO programs.

**Family Violence Prevention and Services.**—The bill includes \$138 million, a \$14 million increase, for family violence prevention and services programs, including \$4.5 million, a \$1.5 million increase, for the National Domestic Violence Hotline. This increase will improve access to emergency shelter and related services for victims of domestic violence, and programs to prevent family violence. On any given day approximately 65,000 domestic violence victims receive such services, while over 10,000 additional requests for services go unmet because of a lack of resources.

**Low Income Home Energy Assistance Program (LIHEAP).**—The bill includes \$3.425 billion for LIHEAP, a \$169 million increase. This will allow states to provide home energy assistance to approximately 415,000 additional low-income households this winter and coming summer, increase assistance to the approximately 7.7 million households currently receiving such assistance, or some combination of the two.

**Protecting Whistleblowers.**-- The bill includes \$552 million, a \$17 million increase, for the Occupational Health and Safety Administration and targets a \$2 million increase for its enforcement of whistleblower laws. These laws provide important protections for workers who raise issues in their workplace about practices that could impact fellow employees or the public.

**Wage and Hour Division.**-- The bill includes \$224 million, an increase of \$9 million for the Wage and Hour Division. These funds will help address the misclassification of workers as independent contractors and other labor law violations. Misclassifications deny workers their rights to unemployment benefits, overtime pay, and other benefits, and also reduce revenue to the UI, Social Security, and Medicare trust funds, as well as to the Treasury. An additional \$10 million in new funding is provided for misclassification activities in State Unemployment Insurance Operations.

**Job Training:** The bill includes \$2.6 billion, an increase of \$121 million, for Workforce Investment Act Grants to States to provide job training skills and assistance to low-skilled adults, dislocated workers, and low-income youth with barriers to employment.

**Veterans Employment and Training:** The bill includes \$270 million, an increase of \$19 million, to expand employment services to transitioning servicemembers, veterans with disabilities, and their spouses and caregivers.

**Unemployment Insurance (UI) Program Integrity:** The bill includes a minimum of \$80 million, an increase of \$16 million, to conduct reemployment and eligibility assessments and UI improper payment reviews. This level is projected to save State UI trust funds an estimated \$315 million by helping claimants exit the UI program faster and avoid exhausting their benefits.

**Social Security Administration (SSA).**—The bill includes \$11.7 billion for SSA's administrative expenses, a \$651 million increase. This will allow SSA to begin to restore staffing lost due to budget cuts in recent years, improve service to the American public, and increase program integrity activities that reduce improper payments and save taxpayer dollars in the long-run.

The bill launches or continues several initiatives that will leverage policy reform and transform key federal services.

**Performance Partnership Pilots.**—The bill includes language allowing up to 10 communities to develop and implement cost-effective solutions that lead to improved outcomes for disadvantaged youth.

**Pay For Success Demonstration.**-- The bill includes new authority and \$14 million in funding for the Corporation for National and Community Service to test models of financing that pay for outcomes, rather than activities. Modeled after Social Impact Bonds, which were developed in the U.K., Pay For Success pilots will leverage private resources by reimbursing entities for accomplishing the desired outcome rather than the current system of awarding a grant to an entity for future activities that are believed to accomplish the same outcome.

## Legislative Branch

The Legislative Branch division of the omnibus bill provides \$4.258 billion for the operations of Congress and related agencies. Total funding is \$192 million above the fiscal year 2013 sequester level and \$254 million below the fiscal year 2014 request. Agencies and offices funded in the bill support accountability, transparency, and continuity of the legislative process by: (1) conducting critical oversight of Federal spending and programs; (2) preserving and ensuring public access to government documents; and (3) protecting people visiting and working in the Capitol complex.

### Oversight & Accountability

Conducting oversight of Federal spending and programs is a fundamental responsibility of Congress. The Legislative Branch bill supports the Congressional oversight process, including nonpartisan, independent agencies that conduct audits, research, and analysis of Federal spending and programs.

**Government Accountability Office (GAO)** is an independent, nonpartisan agency that functions as the audit and investigative arm of Congress. The bill provides \$505 million for GAO, which is \$26 million above the fiscal year 2013 sequester level and equal to GAO's fiscal year 2014 request. Over the last three years, budget pressures resulted in a loss of about 500 positions, or 15% of GAO's staff, hampering the agency's ability to deliver audits and evaluations in a timely manner to Congress and the American people. The funding level in the bill enables GAO to begin to replace staff losses by restoring 100 positions, including re-starting entry level hiring that was suspended.

**Congressional Research Service (CRS)** provides timely, objective, authoritative, and confidential research and analysis to support Congress in drafting legislation and conducting oversight. The bill provides \$105.4 million for CRS, which is \$4.1 million above the fiscal year 2013 sequester level, fully supporting CRS's research and analysis responsibilities.

**Congressional Budget Office (CBO)** provides Congress with objective, nonpartisan analyses of budgetary and economic issues. Every year, CBO provides Congress dozens of reports and hundreds of cost estimates to Congress. CBO also makes much of that information publicly available to the American people. The bill provides \$45.7 million for CBO, which is \$4.2 million above the fiscal year 2013 sequester level. This funding level allows CBO to hire staff positions that were left vacant due to sequestration.

### Preservation of and Public Access to Government Documents

The Legislative Branch bill provides funding for the preservation of the world's largest collection of recorded works and for production, distribution and preservation of information products for all three branches of government. Funding provided also ensures that information products of the Federal Government are secure and authenticated.

**Library of Congress (LOC)** is the oldest Federal cultural institution and largest repository of the world's recorded knowledge in existence. LOC houses the Copyright Office, which administers U.S. copyright law to legally document ownership of American works. According to the LOC, the work of the Copyright office impacts about an \$890 billion segment of the U.S. economy. The LOC's Books for the Blind and Physically Handicapped program supports a national reading program for eligible blind and physically handicapped residents of the United States and U.S. citizens living overseas. In addition to funding provided for CRS, which is also housed within LOC, the bill provides \$473.6 million for LOC responsibilities. This amount is \$17 million above the fiscal year 2013 sequester level and \$25 million below the LOC's fiscal year 2014 request.

**Government Printing Office (GPO) promotes transparency of Federal government activities** provides open access to all three branches of government for all Americans. The agreement provides \$119.3 million, which is \$1.7 million above the fiscal year 2013 sequester level and equal to GPO's fiscal year 2014 request. Of this funding, \$8 million is provided for the GPO Revolving Fund for digital production and dissemination projects to further enable electronic availability of government documents.

### **Safety of the Capitol Complex**

Each year, over 2 million people visit the Capitol complex through the Capitol Visitors Center and over 1 million people visit the Library of Congress. The Legislative Branch bill provides funding for the safety of visitors as well for as the health and safety of the workplace for employees.

**Capitol Police** provides security and law enforcement for the Capitol complex, ensuring the safety of staff and visitors as well as the unobstructed continuity of the legislative process. The bill provides \$338.5 million for the Capitol Police, which is \$17 million above the fiscal year 2013 sequester level. This funding level enables the Capitol Police to resume new officer training and restore the number of sworn officers to the level maintained before the fiscal year 2013 sequester. This will reduce the need for overtime pay once new officers are fully trained, saving taxpayer dollars in future years.

**Architect of the Capitol (AOC)** is responsible for the maintenance, operation, and preservation of 16.5 million square feet of buildings and more than 450 acres of land throughout the Capitol complex. The bill provides \$608 million for the AOC, including funding for both Senate-only and House-only facilities. This amount is \$68.6 million above the fiscal year 2013 sequester level and \$79.6 million below the fiscal year 2014 request. In addition to supporting the daily upkeep of the Capitol complex, the bill funds major projects that address fire and safety needs and ensure proper preservation and longevity of the historic buildings in the Capitol complex. The bill also fully funds the third phase of a major project to restore and preserve the Capitol Dome.

## **Military Construction, Veterans Affairs, and Related Agencies**

The Military Construction, Veterans Affairs (VA) and Related Agencies Appropriations bill provides funding for the construction of mission critical and quality-of-life facilities for U.S. military personnel and their families serving around the world, including schools, hospitals, child care centers and family housing. The bill also provides funding for veterans medical care and benefits, and for VA facilities throughout the country. The Related Agencies funded in the bill include Arlington National Cemetery, The American Battle Monuments Commission, the U.S. Court of Appeals for Veterans Claims, and the Armed Forces Retirement Homes.

The agreement provides \$157.99 billion for Military Construction, Veterans Affairs and Related Agencies for fiscal year 2014. (This figure includes \$54.46 billion in previously appropriated FY14 advance funding for veterans medical care.)

The agreement provides \$73.3 billion in discretionary funding, a \$2 billion increase over fiscal year 2013, and \$84.7 billion in mandatory VA funding. The agreement also includes \$55.6 billion in fiscal year 2015 advance appropriations for veterans medical services.

Military Construction is funded at \$9.8 billion, \$226 million below fiscal year 2013; VA at \$63.2 billion in discretionary funding, \$2.3 billion above fiscal year 2013; and Related Agencies at an aggregate of \$246.3 million, \$85 million below fiscal year 2013.

### **Major Accomplishments**

#### **Tackling the VA Claims Processing Backlog**

In 2013, the backlog of veterans compensation claims for service-related disabilities soared to record levels. In March of 2013, the VA reported that the claims backlog (claims pending for more than 125 days) grew to over 630,000 claims - over 70 percent of the total claims pending. On May 22, 2013 Chairwoman Mikulski and Subcommittee Chairman Tim Johnson convened a roundtable bringing together the Secretary of Veterans Affairs, the Secretary of Defense, the Acting Commissioner of the Social Security Administration, and the Deputy Commissioner of the Internal Revenue Service to discuss actions needed to eliminate the current backlog and put the VA and its partner agencies on a path that would ensure that this kind of backlog is not seen again. By the end of December, the backlog had fallen to 395,139.

The Department and its partners have made substantial progress over the past several months, but thousands of veterans continue to face lengthy delays in having their claims processed. To ensure that the VA has all the necessary resources to achieve timely and accurate processing of current and future disability claims, the agreement fully funds the President's budget request for claims processing operations (an increase of \$294 million over fiscal year 2013), and provides an additional \$42.9 million for critical unmet needs. The agreement also incorporates the Senate-proposed 10-Point Action Plan to give the VA additional tools to address the claims backlog and to strengthen training, oversight, and accountability. The plan includes the following elements:

- Upgrades to Computer Hardware: Provides \$20 million above the budget request to upgrade computer hardware, such as servers, in VA Regional Offices to handle the advanced program requirements of the Veterans Benefits Management System – the new paperless claims processing system. With the VA moving to a paperless claims processing system, field offices must have computers and servers that can operate in this environment.
- Training and Overtime: Provides the budgeted amount of \$90 million for overtime and an additional \$10 million for training of claims processors and resources to maintain office functions during periods of training.
- Quality and Accuracy Training: Directs the VA to increase training of claims processors to achieve not only expedited production but also to ensure quality and accuracy to reduce claims appeals. Additionally, training programs are to be accompanied by regular testing and monitoring of poorly performing Regional Offices to identify and remediate performance problems.
- Quality Review Teams and Spot Audits: Directs the VA to provide Quality Review Teams and spot audits at Regional Offices to assess the performance of the claims processing operations and flag any management or operational weaknesses.
- Centers of Excellence: Directs the VA to create specialized staff functions at selected regional offices for certain types of complex claims, such as claims for PTSD or traumatic brain injury compensation.
- Digital Data Management Capability: Directs the VA to have the data management capability to receive all Department of Defense (DOD) health records in an electronic format by February 2014.
- Performance Measures: Requires the VA to provide monthly reports to the Appropriations Committee on performance measures for each Regional Office, including the number of backlogged claims, the average number of days to complete a claim, and error rates.
- Quarterly Reports on Regional Office Performance: Requires the VA to submit quarterly reports that include the number of claims personnel in each Regional Office, corrective action taken to remedy any problems at poorly performing offices, training programs undertaken by Regional Offices, and Quality Review Team audits performed during the quarter.
- Inspector General Review of Records Transmission: Provides an additional \$5 million for the VA Office of Inspector General, and directs the VA Inspector General, in coordination with the DOD Inspector General, to examine the processes and procedures involved in the transmission of medical and personnel records from DOD to VA to identify any problem areas and provide recommendations for improvements.

- Board of Veterans Appeal: Provides an additional \$12.9 million for the Board of Veterans Appeals to hire additional personnel to expedite the processing of appeals.

### **Strengthening Oversight of the VA-DOD Joint Health Record initiative**

Consolidating access to military and veteran health records to provide a seamless transition from military health care to veterans health care is a top priority of both the Defense Department and the VA. But there are many inter-agency obstacles to overcome, and the effort has gotten off to a rocky start. Last year, the agencies agreed to pursue separate but interoperable electronic health record systems instead of pursuing a single, joint system. To ensure that the VA, which plans to modernize and upgrade its current system, moves forward on a parallel and compatible track with DOD, which plans to procure a new system, the agreement imposes a number of checkpoints and oversight requirements on the VA. Similar restrictions are being placed on DOD.

### **Helping homeless veterans**

According to the 2013 Housing and Urban Development (HUD) Annual Homeless Assessment Report, homelessness among veterans has fallen by 24 percent since 2010. Much of this success is directly attributed to the investments Congress has made over the past several years in VA programs aimed at eliminating homelessness among the Nation's veterans. The agreement provides \$1.39 billion for the VA, as requested by the President, for programs specifically targeted to eliminate veteran homelessness, including \$278 million to support the joint HUD-VA Supportive Housing program, which is one of the most successful cross-Department programs aimed at assisting veterans.

### **Expanding VA health care accessibility to rural veterans**

There are approximately 22 million living veterans today with over 6.1 million residing in rural or highly rural areas. Of the 9 million veterans that are enrolled in the veterans healthcare system, about 3.1 million or 34 percent reside in rural or highly rural areas. About 30 percent of the Iraq and Afghanistan war veterans who use the VA's healthcare system live in rural or highly rural areas. Nearly 30 percent of America's veterans live in rural areas that are often far from major VA medical centers or clinics. Building on the Rural Health Initiative launched by Senate Subcommittee Chairman Tim Johnson in fiscal year 2009 to close gaps in VA medical care in rural and remote areas, the agreement provides \$250 million for rural health care, including telehealth and mobile clinics, for veterans in rural and highly rural areas, including Native American populations.

### **Enhancing resources for veterans suicide prevention outreach**

Veterans continue to have a higher than average rate of suicide. Based on a recent VA study, an estimated 22 veterans take their own lives every day. In order to build stronger prevention outreach programs at the VA, the agreement includes an additional \$20 million in fiscal year 2014 for suicide prevention programs and initiatives.

### **Ensuring the stability of future funding for veterans medical care**

The VA needs a stable and reliable stream of funding to meet the health care needs of the Nation's veterans. The agreement ensures that stability by providing \$55.6 billion in fiscal year 2015 advance appropriations for veterans medical care, as requested by the President.

### **Supporting our Troops and Their Families**

Infrastructure is the backbone of the Nation's military. Infrastructure projects funded through the military construction program include both the facilities in which America's military forces work and train and live, and the myriad facilities that support their families, including family housing, schools, hospitals, and childcare centers. The agreement funds more than 200 major construction projects in 39 states, as well as dozens of projects overseas to support American military personnel and their families stationed outside the country.

## **Major Reforms**

### **VA/DOD electronic health record interoperability oversight**

The agreement mandates several requirements before the VA can obligate more than 25 percent of the funding for the modernization of its Vista electronic health record to ensure the wise investment of funding to achieve both effective modernization and compatibility with DOD's electronic health record development. These requirements include:

- Submission to Congress of the full budget and operating cost of the project;
- A deployment timeline – including defined benchmarks upon which success can be measured;
- How modernization will adhere to standards developed in conjunction with the DOD;
- How testing will be conducted to ensure interoperability with current and future DOD systems; and
- Submission of these requirements to Government Accountability Office for review.

### **VA claims processing training and oversight**

The following are key elements of the new oversight and reforms contained in the 10-point plan.

- Directs the VA to not only have quality review teams at VBA Regional Offices, but also to perform spot audits throughout the year to assess performance and to flag management or operational weaknesses;
- Requires that the VA submit quarterly reports detailing the audits of quality review teams and what corrective actions have been taken at poorly performing Regional Offices;
- Requires the VA to provide detailed monthly reports to the Committee on performance measures for each Regional Office; and
- Directs the VA and DOD Inspectors General to coordinate and examine the processes and procedures of medical record transmission from DOD to VA.

### **Increased funding for Office of Inspector General**

A robust Office of Inspector General is key to monitoring the performance of the many functions of the VA that directly impact the health and well-being of the Nation's veterans. The agreement provides an additional \$5 million above the budget request for the Inspector General to conduct more field audits and provide recommendations on improvements.

## **Additional Highlights of the Agreement**

### **Title I – Military Construction and Family Housing**

***Active component military construction:*** \$7.2 billion to fund military construction projects worldwide, including operational, training, and research facilities, barracks, schools, hospitals, and clinics.

***Reserve component military construction:*** \$665.8 million for readiness centers, training facilities, and related military construction necessary for the training and administration of the Guard and reserve components.

***Family Housing:*** \$1.5 billion for family housing construction and privatization.

***Base Realignment and Closure (BRAC):*** \$451 million for the Department of Defense Base Closure Fund.

***NATO Security Investment Program (NSIP):*** \$200 million to fund the U.S. share of joint U.S.-NATO military facilities.

***Chemical Demilitarization Construction:*** \$122.5 million as requested.

***Energy Conservation Investment Program (ECIP):*** \$150 million as requested for projects to improve energy efficiency and reduce greenhouse gas production on military installations.

### **Title II -- Department of Veterans Affairs**

***Iraq and Afghanistan Veterans:*** \$4 billion in fiscal year 2014 to meet the health care needs of veterans who have served in Iraq and Afghanistan and \$4.6 billion in the fiscal year 2015 advance appropriation. The VA estimates that the number of Iraq and Afghanistan veterans in its health care system will reach 674,754 in 2014 and 742,146 in 2015. This funding includes medical treatment associated with combat-related injuries, including Traumatic Brain Injury (TBI) and Post-Traumatic Stress Disorder (PTSD).

***Women Veterans Programs:*** The agreement includes \$4.88 billion to provide healthcare for women veterans in fiscal year 2014, including \$422 million in gender specific health care to meet the unique needs of female veterans. Additionally, the fiscal year 2015 advance appropriation includes \$5.3 billion for women veterans' health care and \$476.5 million in gender specific health care.

***Medical and Prosthetic Research:*** \$586 million, equal to the budget request, for research in a number of areas, including mental health, TBI, spinal cord injury, burn injury, polytrauma injuries, and sensory loss.

**Long Term Care:** \$7.6 billion in fiscal year 2014 and \$8 billion in fiscal year 2015 for long term care for the Nation's aging veterans as well as severely wounded combat veterans from the wars in Iraq and Afghanistan. The funding includes both institutional and home based care programs. The agreement also provides \$85 million for grants for the construction of State extended care facilities.

**Information Technology (IT):** \$3.7 billion to support the VA's IT needs, \$20 million over the request. Funding includes \$219 million for VA to modernize its electronic health record and \$33.9 million for the VA to coordinate with DOD to develop interoperability between the current and future electronic health record systems. The agreement enhances VA's goal of transforming the Veterans Benefits Administration into a 21<sup>st</sup> Century agency by adding \$20 million above the request to upgrade and replace antiquated computers and servers in field offices. These investments are critical if the VA is to transition to the recently deployed Veterans Benefits Management System (VBMS) – the new paperless claims processing software.

### **Title III – Related Agencies**

**American Battle Monuments Commission (ABMC):** \$77.3 million, \$5 million over the request to support the operations and activities of the ABMC. The additional funding is to address urgent maintenance and repair requirements at America's cemeteries overseas.

**U.S. Court of Appeals for Veterans Claims:** \$35.4 million, as requested.

**Arlington National Cemetery (ANC):** \$65.8 million for operations, \$20 million above the request.

**Armed Forces Retirement Home:** \$67.8 million for operations, maintenance and the capital program.

## **State, Foreign Operations, and Related Programs**

The fiscal year 2014 agreement provides \$49.0 billion in discretionary budget authority to project U.S. leadership and protect a wide array of U.S. security, humanitarian, and economic interests around the world. Of this amount, \$6.5 billion is for Overseas Contingency Operations (OCO) in the frontline states (Afghanistan, Pakistan and Iraq) and in other areas in political transition (including the Middle East and North Africa) and to respond to humanitarian emergencies (such as Syria, Somalia, Central African Republic).

The agreement is \$2.2 billion below the fiscal year 2013 enacted post-sequester level.

Among other highlights, the agreement provides funding above the President's request for security for diplomatic facilities; it fully funds our commitments to key allies like Israel and Jordan; substantially funds our contributions to the UN and international organizations and for UN peacekeeping; fully funds the U.S. contribution to the Global AIDS Fund; and supports promotion of U.S. exports.

A summary of the agreement follows. Some dollar figures are rounded.

### **Savings, Reforms, and Reducing Government Waste**

#### **Savings**

The agreement totals \$2.2 billion less than the fiscal year 2013 enacted post-sequester level. It requires cost saving measures and does not include funding or authority for phase III of overseas comparability pay for Foreign Service officers. This results in savings of \$102.9 million in fiscal year 2014.

#### **Reducing Waste, Fraud and Abuse**

The agreement:

- Provides significant funding for the Inspectors General and directs implementation of key IG and GAO recommendations.
- Tightens restrictions on taxation of U.S. foreign assistance by recipient countries.
- Clarifies the appropriate use of representation funds, and directs all agencies to reduce costs related to executive meetings, ceremonies, and conferences.
- Includes limitations on conference expenses and requires agencies to report to the IGs on conference spending.

## **Strengthening Embassy Security**

The safety of our diplomats, consular officers, and aid workers is paramount. The agreement provides the amount requested by the President for diplomatic facilities security, which includes the funds to implement the Benghazi Accountability Review Board's recommendations, plus an additional \$25 million to improve security at expeditionary, interim, and temporary facilities.

The agreement directs the State Department to establish processes that ensure that the security needs of such facilities are regularly evaluated. The agreement also directs the Department to reevaluate the cost-benefit of a continuing presence in Basrah, Iraq and directs any savings from reducing or closing this consulate to funding other security costs.

## **Bolstering Global Health**

HIV/AIDS and other infectious diseases threaten millions of Americans who travel, live, study and serve overseas, as well as here at home. In addition, billions of people in the poorest countries, especially children, die or suffer from debilitating diseases that can be easily prevented or treated. The agreement provides unprecedented funding for these life-saving programs:

- **HIV/AIDS.** Funds the President's request for global HIV/AIDS assistance (\$6 billion), including for PEPFAR (\$4.02 billion), the Global Fund (\$1.65 billion), and USAID's HIV/AIDS programs (\$330 million).
- **Polio.** Increases funding for polio prevention programs to \$59 million, including \$8 million in Afghanistan and Pakistan and to support a multilateral campaign to eliminate the disease, which is \$23.4 million above the President's request.
- **Voluntary Family Planning/Reproductive Health.** At least \$610 million, including \$35 million for the UN Population Fund. The prohibition on funding for abortion and involuntary sterilization is continued.
- **Children's Vaccines.** \$175 million for the GAVI Alliance, which provides life-saving vaccines to children in the poorest countries.
- **Malaria.** \$665 million to combat malaria.
- **Tuberculosis.** \$236 million to combat tuberculosis.
- **Pandemic Influenza.** \$72.5 million for pandemics and other emerging health threats.
- **Neglected Tropical Diseases.** \$100 million for NTDs.

## Meeting Our International Commitments

The U.S. Government is required by treaty to pay its assessed share of United Nations costs, which include UN peacekeeping missions the U.S. has voted for in Haiti, Lebanon, Somalia, the Congo, and elsewhere, as well as our commitments to the international financial institutions. The agreement substantially funds these commitments. Portions of the funds are conditioned on transparency, audit, whistleblower, and reporting requirements.

- **Contributions for International Peacekeeping Activities.** \$1.76 billion for CIPA, which supports the current U.S. commitments to UN peacekeeping missions. This is sufficient to meet the new U.S. assessment percentage if authorized in a subsequent act of Congress.
- **Contributions to International Organizations.** \$1.34 billion for CIO, which supports U.S. contributions to UN organizations (such as NATO, International Atomic Energy Agency, World Health Organization) but does not include a contribution for UNESCO which is prohibited by law.
- **International Development Association.** \$1.35 billion for the U.S. contribution to the World Bank's concessional lending window.
- **Clean Technology Fund.** \$184.6 million for the Clean Technology Fund, and transfer authority for additional funds for the CTF to meet the budget request.
- **Strategic Climate Fund.** \$49.9 million for the Strategic Climate Fund, and transfer authority for additional funds for the SCF to meet the budget request.
- **Global Environment Facility.** \$143.75 million for the Global Environment Facility, which is the budget request.
- **International Organizations and Programs.** A total of \$344 million for voluntary contributions, including \$132 million for UNICEF.

## Supporting Key Allies

The agreement provides funding at or above the President's request for key allies, including:

- Israel
  - The budget request for military aid for Israel: \$3.1 billion.
  - Continues all current restrictions on aid for the Palestinian Authority.
  - Conditions aid for the Palestinian Authority on the PA not obtaining membership at the UN or a UN specialized agency, or initiating an ICC investigation of Israeli nationals, as well as on efforts to stop incitement against Israelis.

- Jordan
  - A total of \$1 billion for Jordan.
  
- Egypt
  - Ties all aid to the Government of Egypt on sustaining its security relationship with the U.S. and adhering to the Egypt-Israeli peace agreement.
  - Provides “up to” the requested amounts (which are also the current levels) for economic (\$250 million) and military aid (\$1.3 billion) for Egypt.
  - Permits prior year funds to be made available to pay defense contracts at the minimum rate necessary.
  - Permits FY14 funds to be made available for such contracts, but the defense articles and services resulting from those contracts can be provided to Egypt in two tranches only if the Secretary of State certifies that Egypt has held (1) a national referendum and is taking steps to support the democratic transition; and (2) democratic elections are held and a newly elected government is taking steps to govern democratically. There is additional report language relating to protection of fundamental freedoms, including the rights of women, civil society, and religious minorities. There is no authority to waive these conditions.
  - There is an exception for counterterrorism, border security, and programs in the Sinai.

### **Support for the Frontline States**

The agreement includes the following for State Department and USAID operations and assistance for the frontline states, including significant cuts due to concerns with security, sustainability of programs, and large pipelines of unexpended prior year funds:

- Operations
  - State Department and USAID Operations: The agreement provides \$490.8 million for ongoing State Department operations (excluding Worldwide Security Protection) in Afghanistan, Pakistan, and Iraq. This amount, combined with funds carried forward from FY13, provides \$909.9 million.
  - The agreement provides \$81.1 million for USAID operations in Afghanistan, Pakistan, and Iraq which when combined with funds carried forward from FY13, provides \$207.4 million.
  
- Assistance
  - Afghanistan. The agreement provides \$1.12 billion for assistance programs, which is a cut by 50 percent from the current level. There is a pipeline of prior year unexpended funds for Afghanistan that exceeds \$5 billion.
  - Pakistan. The pipeline of prior year funds for Pakistan assistance programs exceeds \$2.5 billion.

### **Internet Freedom**

The agreement includes \$50.5 million for programs to promote Internet freedom globally to countries whose governments restrict freedom of speech and association on the Internet, including a doubling from FY13 funding for the BBG Internet freedom program to not less than \$25.5 million. The agreement requires a multi-faceted U.S. Government-wide strategy for Internet freedom, coordination of Internet freedom programs with other democracy and broadcasting programs, and continued research and development on technologies and key threats to Internet freedom.

### **Responding to Humanitarian Crises**

The agreement provides funding above the amount requested to respond to man-made, humanitarian crises in Syria, Central Africa, Somalia, and elsewhere, from both enduring and OCO accounts.

- For Migration and Refugee Assistance, the agreement provides \$3.06 billion, which is \$1.3 billion above the budget request.
- For International Disaster Assistance, the agreement provides \$1.8 billion.
- For Complex Crises Fund, the agreement provides \$40 million, and authority to transfer up to an additional \$460 million to prevent and respond to complex crises, including in the Middle East and North Africa.

### **Promoting U.S. Exports – Helping to Create Jobs in the U.S.**

In response to increasing economic competition from China, the U.K. and other countries, and expanding U.S. trade with Africa, Asia, and Latin America, the agreement supports promotion of exports of U.S. goods and services by providing \$115.5 million for the Export-Import Bank, a total of \$89.9 million for the Overseas Private Investment Corporation administrative and program accounts, and \$55.1 million for the Trade and Development Agency.

## **Transportation, Housing and Urban Development, and Related Agencies**

For programs under the jurisdiction of the Transportation, Housing and Urban Development, and Related Agencies (THUD) Subcommittee, the agreement includes a total level of budget authority of \$50.856 billion. This level provides an increase of \$2.2 billion, or 4.5 percent, above last year's sequestration level, excluding emergency spending.

The total level of funding in the agreement, which includes both budget authority and limitations on obligations related to trust fund programs, is \$104.33 billion. This total funding level provides an increase of \$3 billion, or 3 percent, above last year's sequestration level, excluding emergency spending.

The bill focuses on five priorities:

- Investing in transportation infrastructure
- Providing housing and services to our nation's most vulnerable
- Supporting our communities
- Ensuring the safety of our transportation system
- Reforming Federal programs and investing in our Federal workforce

### **Investing in Transportation Infrastructure**

#### **TIGER**

The bill includes \$600 million for grants to support significant transportation projects in a wide variety of modes, including highways and bridges, public transportation, passenger and freight railroads, and port infrastructure. This funding level is \$126 million higher than what was provided last year and what would have been provided under a continuing resolution.

The need for investment in our transportation infrastructure is enormous. The American Society of Civil Engineers has assigned the grade of D+ to the condition and performance of our nation's infrastructure. The TIGER program is an opportunity to address this need. For fiscal year 2013, the Department of Transportation received TIGER applications from every State in the country for projects totaling \$9 billion, almost 20 times the amount of funding available.

#### **Highways**

The bill includes \$41 billion for the Federal-aid Highway program, honoring the funding level authorized in the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21). This funding level provides an increase of \$636 million above last year's level and the amount included in the current continuing resolution. The Federal-aid Highway program supports essential investments in roads and bridges in every State across the country.

## **Public Transit**

\$1.943 billion for the transit “New Starts” program, which, when combined with other resources, funds all of the projects included in the President’s request. This level of investment is \$88 million higher than last year. It includes funding for new transit services to improve access and ease commutes, as well as \$120 million for the new core capacity category established in MAP-21 to increase ridership on existing rail lines where demand is great.

## **Amtrak**

The bill includes \$1.39 billion for Amtrak, \$47 million more than under sequester. This increase in funding will allow Amtrak to address deferred maintenance and other state of good repair infrastructure improvements. It also ensures that \$81 million from the Hurricane Sandy Disaster Supplemental bill can be used to support Amtrak’s efforts to improve the safety and resiliency of its tunnels and ensure the reliability of passenger rail services in the northeast corridor.

## **Providing Housing and Services to our Nation’s Most Vulnerable**

### **Housing Assistance**

Another year-long continuing resolution would have continued the devastating cuts from sequestration, putting families at risk of losing their housing and becoming homeless. Under the omnibus, the cuts required by sequestration are reversed, ensuring that low-income Americans that receive assistance can remain in their housing. Specifically, the bill includes:

- \$19.2 billion for Section 8 tenant-based rental assistance which provides housing for 2.2 million low-income Americans, many of whom are elderly, disabled or veterans. Of this amount, \$17.365 billion is for the renewal of existing vouchers, an increase of \$1 billion from sequester levels. If funding had remained at the sequester level, it is estimated that over 100,000 families would be at risk of losing assistance and becoming homeless.

The bill also includes \$1.5 billion for public housing authorities (PHAs) to manage and oversee their vouchers programs, an increase of \$195 million over the CR level.

Finally, the bill includes \$75 million for HUD-Veterans Affairs Supported Housing (HUD-VASH) to provide housing for 10,000 homeless veterans. HUD-VASH has been a critical tool in the effort to end homelessness among veterans, which has declined by 24 percent since 2010.

- \$9.9 billion for Section 8 project-based rental assistance (PBRA). PBRA provides rental assistance for 1.23 million very low income households, 65% of which are elderly or disabled. Under another year of sequester, this program would have received \$8.9 billion. Funding PBRA at this level could result in some affordable housing projects converting to market rates, with large rent increases that many existing tenants would be unable to afford. Under the omnibus agreement, \$9.9 billion is provided for contract renewals and amendments – a level of investment that is sufficient for HUD to maintain the current affordable housing portfolio.
- \$6.3 billion for public housing. This represents an increase of \$444 million above the 2013 sequester level. It includes \$1.875 billion for the Public Housing Capital Fund and \$4.4 billion for the Public Housing Operating Fund. These funds will help PHAs make essential repairs and maintain services for families. The bill also includes funding for the Jobs-Plus initiative to help residents find jobs and increase their incomes.
- \$2.1 billion for Homeless Assistance Grants. This represents an increase of \$172 million above the sequester level. This funding will ensure that homeless providers can continue to operate shelters and supportive housing programs in communities across the country. The bill also includes increased funding for homelessness prevention and rapid-rehousing, which has been successful in helping to reduce the number of homeless families. Investments in proven homeless programs are having measurable results. A recent report by HUD based upon an annual count of homeless people living on the streets or in shelters showed a 6.1 percent reduction in homelessness since 2010.

### **Supporting our Communities**

#### **FAA Contract Towers**

The omnibus fully funds the FAA’s contract tower program, and includes bill language that protects the program against cuts. Under a year-long continuing resolution, the contract tower program would not be protected.

This past year, in order to live within the budget constraints of a full-year continuing resolution and sequestration, the FAA imposed drastic cuts to its contract tower program and tried to shut down 149 towers across the country. These cuts were avoided only after Congress enacted legislation that allowed the agency to transfer additional funding to the contract tower program. (This was the same legislation that allowed the FAA to end its furloughs.)

#### **Community Development Block Grants (CDBG)**

The bill includes \$3.03 billion for CDBG formula grants. CDBG is a critical tool that allows states and local governments to make investments in their communities in infrastructure, small businesses, housing, and services to help grow their economies and create jobs. The amount provided in the omnibus will create or support nearly 78,000 jobs. While this level is \$48 million below the sequester level, it is \$1.4 billion above the level proposed in the House bill.

## **HOME**

The bill includes \$1 billion for the HOME Investments Partnerships Program to support the creation and rehabilitation of low-income housing across the country. This funding is expected to support the creation or rehabilitation of over 15,000 units of affordable housing to help address the shortage of affordable housing.

### **Choice Neighborhoods**

The bill includes \$90 million for the Choice Neighborhoods Initiative, an expansion of the successful HOPE VI program that improves public and other HUD-assisted housing. This level of funding is \$24 million less than fiscal year 2013 enacted level. The House bill would have completely eliminated funding for the program and rescinded \$120 million in prior year funding. In addition to improving housing and revitalizing poor communities, the initiative also promotes better access to schools, transportation, jobs and other services.

## **Ensuring the Safety of our Transportation System**

### **Pipeline Safety**

A series of tragic pipeline accidents in 2010-2012 has been an unfortunate reminder of the mounting risks posed by aging pipelines, as well as the substantial growth in pipelines used to transport energy resources. The omnibus provides funding to hire 10 new pipeline safety inspectors, as authorized, and an additional \$5.4 million for pipeline safety research and development activities. These funds will improve federal efforts to identify pipeline weaknesses and prevent disasters. It will also help with the advancement of inline inspection devices capable of inspecting older pipelines like those that caused the September, 2010, incident in San Bruno, CA, that claimed 8 lives. Under another year-long continuing resolution, these important safety issues would remain unaddressed within existing resources.

### **Rail Safety**

The conference agreement fully funds the Administration's request for the Federal Railroad Administration's (FRA) safety activities, providing an increase of \$15 million above last year's sequestration level. These funds will reverse the harmful cuts to the FRA's safety program and provide an increase of \$6.2 million to hire 15 additional highly-trained safety inspectors. In addition to ensuring rail operations remain safe, the new inspectors will support the implementation of positive train control systems to reduce the risk of accidents like the Chatsworth train collision in Los Angeles, CA, in 2008, that killed 25 and injured 135.

## **Transit Safety**

The agreement includes \$4 million to stand up the Federal Transit Administration's new transit safety office to oversee and support local safety authorities, funding that would be unavailable under another year-long continuing resolution. In addition, the bill provides \$150 million for grants to the Washington Metropolitan Area Transit Authority (WMATA) for capital investments. The bill includes language requiring WMATA to place its highest priority on projects that will improve the safety of the transit system.

## **Reforming Federal Programs and Investing in our Federal Workforce**

### **Air Traffic Controller and Aviation Safety Inspectors**

The omnibus invests in essential employees at the Federal Aviation Administration (FAA), including air traffic controllers and aviation safety inspectors. The omnibus protects these employees from furloughs, and allows the FAA to hire and train enough controllers and inspectors to maintain its workforce. In comparison, under a continuing resolution, FAA controllers and inspectors would face the possibility of furloughs, and the agency would continue to see the size of its controller and inspector workforce shrink due to attrition.

This past year, in order to live within the budget constraints created by a full-year continuing resolution and sequestration, the FAA instituted a hiring freeze and began to furlough almost all of its employees. The furloughs included its air traffic controllers and aviation safety inspectors, delaying flights across the country for hours at a time. After six days, Congress enacted legislation that allowed the FAA to end its furloughs, but the agency was still unable to hire enough replacement workers to maintain its workforce.

### **Reforms to Federal Programs**

The omnibus bill includes reform measures to address problems identified by members of Congress, the Offices of Inspectors General and others. These include:

- Preventing CDBG grantees from selling grants to another community;
- Requiring HUD to take specific actions against private owners that receive HUD assistance and don't maintain the physical condition of their property;
- Requiring HUD to work with its Inspector General to establish training requirements for Public housing commissions focused on finance and governance, and supporting increased training around these areas;
- Providing funding for inspection and oversight of section 8 units;
- Increasing staff in areas necessary to address audit findings of the HUD Office of Inspector General;

- Banning contracts with felons and tax cheats; and
- Reforming housing assistance programs to streamline program requirements, create efficiencies, and reduce costs. Specific reforms include: requiring public housing authorities to set a minimum flat rent; modifying the definition of low-income to allow PHAs to better serve the working poor; streamlining inspection of housing units; ensuring utility allowances are consistent with unit size eligibility; and allowing PHAs to form consortia to create efficiencies and reduce administrative costs.

### **Federal Employees**

During sequestration, many agencies were forced to furlough employees. The FAA began to furlough 10 percent of its workforce each day, delaying flights across the country for hours at a time, until Congress enacted a fix six days later. HUD employees were furloughed for five days, and employees at the Federal Maritime Commission were furloughed for six days.

The agreement provides sufficient funding to avoid furlough days and make critical hires during fiscal year 2014.