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Summary Report: FY2014 Supplemental Appropriations

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Summary

On July 8, 2014, the Administration requested \$4,346 million in FY2014 supplemental appropriations to address two issues: the surge in both unaccompanied and escorted children illegally crossing the southwest border, and a shortfall in federal funding to pay the costs of wildfires. The appropriations were requested to be designated as emergency funding, meaning the requested funds would not count against the discretionary budget caps for FY2014.

On July 23, 2014, the Senate introduced S. 2648, which includes \$3,571 million in supplemental appropriations for the Administration's requested purposes as well as for defense assistance to Israel. S. 2648 would designate the appropriations as an emergency, meaning they would not count against the discretionary budget caps for FY2014.

On July 29, 2014, the House introduced H.R. 5230, which included \$659 million in supplemental appropriations to address the situation at the southwest border. The legislation also included \$659 million in rescissions that would offset the budgetary impact of the bill. An amended version of H.R. 5230, which includes an additional \$35 million to defray the cost to states of National Guard deployments to the southern border, \$35 million more in offsets, and a different set of policy provisions, passed the House 223-189 on August 1, 2014.

The primary focus of this report is the Administration's request for supplemental appropriations, and the appropriations legislation considered in response to that request. Other policy-related provisions of the legislation will be analyzed in other CRS materials.

This report will be updated as events warrant.

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Introduction

On July 8, 2014, the Administration requested \$4,346 million in FY2014 supplemental appropriations to address two issues:

- the federal costs of managing the surge of both unaccompanied alien children (UAC) and escorted alien children illegally crossing the southwest border, and
- a projected shortfall in federal funding to pay the costs of wildfires.

The Senate Appropriations Committee conducted a hearing July 10, 2014, focusing on the border security and immigration aspects of the Administration's request.¹ In addition, the following hearings on the issues involved in the supplemental request were held between the submission of the request and the introduction of the respective bills:

- Senate Committee on Homeland Security and Government Affairs, July 9 and 16, 2014, "Challenges at the Border: Examining the Causes, Consequences, and Responses to the Rise in Apprehensions at the Southern Border,"² and "Challenges at the Border: Examining and Addressing the Root Causes Behind the Rise in Apprehensions at the Southern Border,"³
- Senate Committee on Energy and Natural Resources, July 15, 2014, "Wildfire Preparedness and Forest Service 2015 Fiscal Year Budget";⁴ and
- Senate Committee on Foreign Relations, July 17, 2014, "Dangerous Passage: Central America in Crisis And the Exodus of Unaccompanied Minors."⁵

On July 23, 2014, the Senate introduced S. 2648, which included \$3,571 million in supplemental appropriations for those purposes as well as providing funding for defense assistance to Israel. The legislation would designate the appropriations as an emergency requirement, meaning the funding would not count against the discretionary budget caps for FY2014.⁶

On July 29, 2014, the House introduced H.R. 5230, which included \$659 million in supplemental appropriations to address the situation at the southwest border. The original legislation included \$659 million in offsets. After consideration under the initial rule was postponed, a second rule was passed that increased the amount appropriated by \$35 million, the offsets by \$35 million, and

¹ Hearing materials available at <http://www.appropriations.senate.gov/hearings-and-testimony/full-committee-review-presidents-supplemental-request>.

² Hearing materials available at <http://www.hsgac.senate.gov/hearings/challenges-at-the-border-examining-the-causes-consequences-and-responses-to-the-rise-in-apprehensions-at-the-southern-border>.

³ Hearing materials available at <http://www.hsgac.senate.gov/hearings/challenges-at-the-border-examining-and-addressing-the-root-causes-behind-the-rise-in-apprehensions-at-the-southern-border>.

⁴ Hearing materials available at <http://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=8bc0c590-80e0-4465-aaa2-0a7f4decfc9d>.

⁵ Hearing materials available at <http://www.foreign.senate.gov/hearings/dangerous-passage-central-america-in-crisis-and-the-exodus-of-unaccompanied-minors-7-17-14>.

⁶ The caps on discretionary spending were put into place as a result of the Budget Control Act of 2011 and subsequently modified by the American Taxpayer Relief Act of 2012 and the Bipartisan Budget Act of 2013. For more information, see CRS Report R43411, *The Budget Control Act of 2011: Legislative Changes to the Law and Their Budgetary Effects*, by Mindy R. Levit.

altered the policy provisions included in the bill. This amended bill passed the House by a vote of 223-189 on August 1, 2014.

Overview

Table 1 below outlines the Administration’s request for supplemental funding for FY2014, and the proposed new budget authority provided in response to those requests. All figures are in millions of dollars of budget authority, and like all numbers in this report, are rounded to the nearest million.

The figures in the table below are presented thematically between the issue areas: (1) the southwest border crisis, (2) wildfires, and (3) aid to Israel.

Headers in bold italics note the theme. Under each theme, appropriations are listed by department and subtotaled. The left column notes the department or agency and the funded activity by appropriation. The Administration’s request is in the next column, in millions of dollars of budget authority, followed by the appropriations that would be provided under the Senate bill and the House bill.

The table only reflects new budget authority that would be provided in the legislation: transfers, rescissions, and redirection of appropriated funds are not included in the table. A brief narrative description of the request and each bill follows, which explores those issues, as well as the potential budgetary impact of each proposal.

Table 1. FY2014 Supplemental Appropriations
(millions of dollars of new budget authority)

| Recipient | Administration Request | S. 2648 (introduced) | H.R. 5230 (House-passed) |
|---|------------------------|----------------------|--------------------------|
| <i>Southwest Border Crisis</i> | | | |
| Department of Justice (DOJ) | | | |
| General Administration | | | |
| Administrative Review and Appeals | 63 | 123 | 22 |
| Legal Activities | | | |
| Salaries and Expenses, General Legal Activities | 1 | 1 | 0 |
| Total DOJ | 64 | 125 | 22 |
| Department of Homeland Security (DHS) | | | |
| Office of the Inspector General | | | |
| Office of the Inspector General | 0 | 1 | 0 |
| Customs and Border Protection (CBP) | | | |
| Salaries and Expenses | 394 | 321 | 71 |
| Air and Marine Operations | 39 | 22 | |
| US. Immigration and Customs Enforcement | | | |

| Recipient | Administration Request | S. 2648 (introduced) | H.R. 5230 (House-passed) |
|--|------------------------|----------------------|--------------------------|
| Salaries and Expenses | 1,104 | 763 | 334 |
| Total DHS | 1,537 | 1,106 | 405 |
| Department of Health and Human Services (HHS) | | | |
| Administration for Children and Families | | | |
| Refugee and Entrant Assistance | 1,830 | 1,200 | 197 |
| Total HHS | 1,830 | 1,200 | 197 |
| State Department and Foreign Operations | | | |
| Department of State | | | |
| Administration of Foreign Affairs | | | |
| Diplomatic and Consular Programs | 5 | 2 | 0 |
| Broadcasting Board of Governors | | | |
| International Broadcasting Operations | 0 | 1 | 0 |
| Bilateral Economic Assistance | | | |
| Economic Support Fund | 295 | 213 | 0 |
| International Security Assistance | | | |
| International Narcotics Control and Law Enforcement | 0 | 85 | 0 |
| Total State Department and Foreign Operations | 300 | 300 | 0 |
| Department of Defense (DOD) | | | |
| Military Personnel | | | |
| National Guard Personnel, Army | 0 | 0 | 47 |
| National Guard Personnel, Air Force | 0 | 0 | 2 |
| Operation and Maintenance | | | |
| Operation and Maintenance, Army National Guard | 0 | 0 | 16 |
| Operation and Maintenance, Air National Guard | 0 | 0 | 5 |
| Total DOD | 0 | 0 | 70 |
| Total Southwest Border Crisis | 3,731 | 2,731 | 694 |
| Wildland Fire | | | |
| USDA Forest Service | | | |
| Wildland Fire Management | 615 | 615 | 0 |
| Total Wildland Fire | 615 | 615 | 0 |

| Recipient | Administration Request | S. 2648 (introduced) | H.R. 5230 (House- passed) |
|------------------------------|---------------------------|-------------------------|---------------------------------|
| <i>Aid to Israel</i> | | | |
| Department of Defense | | | |
| Procurement | | | |
| Procurement, Defense-wide | 0 | 225 | 0 |
| Total Aid to Israel | 0 | 225 | 0 |
| Total | 4,346 | 3,571 | 694 |

Source: CRS analysis of Administration’s supplemental request, S. 2648 as introduced, and H.R. 5230 as passed the House.

Notes: Does not include transfers, rescissions, or redirection of appropriated funds. Numbers may not total due to rounding.

Supplemental Request

The Administration requested \$4,346 million in supplemental appropriations to address two issues: the surge in unaccompanied and escorted children illegally crossing the southwest border, and a shortfall in federal funding to pay the costs of wildland fires.

Of the request, \$3,731 million was for the southwest border crisis to be distributed through appropriations that would fall under four appropriations subcommittees:

- Commerce, Justice, Science, and Related Agencies (2% of the border funding);
- Homeland Security (42%);
- Labor, Health, and Human Services, Education, and Related Agencies (49%); and
- State, Foreign Operations, and Related Programs (8%).

The request included a general provision allowing up to \$250 million of this amount to be transferred among applicable appropriations, which would give the Administration additional flexibility in how these funds may be used. The Administration also requested expanded transfer authority specifically for supplemental funds appropriated to DHS.

The request included \$615 million to cover wildland fire suppression and emergency rehabilitation activities. Similar to the Administration’s request, the bill would also create a new adjustment to statutory spending limits to accommodate a portion of spending subsequently provided for “wildfire suppression operations,” formulated with the intent of minimizing any additional spending beyond what is allowed under current law by tying it to the existing disaster relief cap adjustment.

The Administration requested the supplemental funding be designated as an emergency under the budget laws. Funding with the designation would not count against the discretionary spending caps for FY2014, and an offset would not be needed to avoid violating those caps.

S. 2648

S. 2648 has four titles, one each for border issues, wildfire, and aid to Israel, as well as a title of general provisions that apply broadly across the bill. It would provide \$1 billion less than the Administration requested for managing the situation on the southwest border, and \$225 million in funding for military assistance to Israel that the Administration had not formally requested. The bill would provide the requested wildfire funding, and includes an amendment sought by the Administration to make it easier to fund federal costs for fighting wildland fires.

The Senate bill would provide almost double the supplemental funding requested for DOJ to speed the adjudications of those taken into custody along the border, appropriating \$125 million. It would provide 28% less than requested for DHS—just over \$1.1 billion—and would provide roughly two-thirds of the requested level of funding for HHS—\$1.2 billion. The Senate bill would appropriate \$300 million for the State Department and foreign operations work to address the flow of migrants, the same overall amount as requested by the Administration, but would reprioritize some of the funding.

Title II of the bill would provide the requested \$615 million for wildland fire costs, and the amendment sought by the Administration to create a new adjustment to discretionary spending limits for wildfire suppression operations and emergency restoration. Title III of S. 2648 would provide \$225 million, through the Department of Defense, to the Government of Israel for the procurement of the Iron Dome defense system to counter short-range rocket threats.

All funding in the bill would be designated as emergency funding, as the Administration requested.

Transfers and Transfer Authority

The Senate bill's southwest border title includes a number of provisions that would require a total of \$3 million of the funding be transferred to various inspectors general to oversee the use of funds that would be provided in the bill.⁷ Under the appropriation for the Economic Support Fund, funds are also designated to be transferred to the Inter-American Foundation for youth training programs (\$5 million) and DOJ efforts “to build investigative and prosecutorial capacity” in source countries (\$10 million).⁸

There are three provisions in the same title that would allow for transfer and reprogramming of funds. Funding for DHS in S. 2648 could be transferred between appropriations accounts or reprogrammed within them without limitation, and up to \$250 million could be transferred between appropriations in other parts of the southwest border title with the approval of the Director of the Office of Management and Budget. Use of either authority would require advance notification to the appropriations committees—a common practice. The bill would also allow HHS to transfer funds for medical response expenses to the Public Health and Social Services Emergency Fund.

⁷ As **Table 1** indicates, it also includes a \$1 million appropriation to support similar oversight efforts by the DHS OIG.

⁸ S. 2648, p. 10.

H.R. 5230

The House bill has two divisions: the first is a five-title appropriations act; the second has three titles that would modify immigration laws, provide a framework for National Guard deployment to the southwest border, and provide exemptions from certain environmental laws for border security activities. The third title of the second division also includes a sense of Congress statement regarding the housing of undocumented minors on military installations. The analysis of this report only focuses on the first division of the House bill.

Unlike the Senate bill, House-passed H.R. 5230 would provide funding only for the southwest border crisis—no supplemental funding is included for wildland fire management or aid to Israel. Its \$694 million in new budget authority is \$3.1 billion less than the request for the southwest border crisis, and over \$2 billion less than the amount the Senate bill would provide for those activities. House-passed H.R. 5230 would provide \$22 million for DOJ to speed the adjudications of those taken into custody along the border—\$41 million less than the request. The House bill would provide \$405 million (74% less than requested) for DHS, and \$197 million (89% less) for HHS. The House bill would not provide any new budget authority for the State Department and foreign operations work to address the flow of migrants, but would allow \$40 million of previously appropriated aid for Central America to be made available for “repatriation and reintegration activities.”⁹

No transfers or additional transfer or reprogramming authority would be provided in the House bill.

Offsets

Unlike the Senate bill, which includes an emergency designation for the funding it would provide, the House bill is fully offset. H.R. 5230 as passed by the House would provide \$694 million in new budget authority, which would be offset by the following permanent rescissions of \$694 million:

- \$405 million from the Federal Emergency Management Agency’s Disaster Relief Fund;
- \$70 million from Department of Defense-wide operations and maintenance;
- \$22 million from the Department of Justice Assets Forfeiture Fund; and
- \$197 million from international bilateral economic assistance through the Economic Support Fund.

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⁹ H.R. 5230, §401.