

Rep. Sue Myrick (R-NC), Chairman

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Additional Amendments to the FY05 Homeland Security Appropriations Act (H.R. 4567)

Information on amendments offered by the following Members:

- King (IA)
- Tancredo
- Weldon (PA)
- Weiner
- DeLauro

King (IA): The amendment adds at the end of the bill:

SEC. ___. Appropriations made in this Act are hereby reduced in the amount of \$895,476,000.

According to the Committee, total appropriations in the current bill exceed the President's request by \$895.476 million, or 2.9%. (See: <u>http://appropriations.house.gov/_files/FY05DHSAppropsFullCmteSummary.pdf</u>)

This amendment would reduce the total amount appropriated in the bill, with an across-the-board reduction, so that it does not exceed the amount requested by the President.

The amendment does not specify which account the rescission must be applied to, just that the total amount must be reduced.

The amendment would bring the overall funding total to the President's request of \$31.104 billion, which is still \$1.862 billion over the FY04 enacted level, a 6.4% increase.

Tancredo. The amendment adds at the end of the bill:

SECTION ____. None of the funds made available in this Act may be used to provide assistance to any State that has enacted a law, subsequent to the passage of this act, authorizing aliens who are not lawfully present in the United States to obtain a driver's license, or other comparable identification document, issued by the State.

Weldon (PA). The amendment would transfer \$50 million from DHS Management and Operations to Firefighter Assistance Grants, raising the firefighter account to \$650 million. According to the committee report, the Office of the Secretary and Executive Management budget amount of \$80 million is \$90,000 below FY04 and \$22.4 million below the President's request. The \$600 million currently in the bill for firefighter assistance is \$100 million below the President's request and \$145.6 million below FY04.

Weiner. The amendment adds at the end of the bill:

SEC. ____. In making any threat assessment in conjunction with the Urban Area Security Initiative, the Department of Homeland Security shall weigh credible threat more heavily than population concentration, critical infrastructure, or any other consideration.

DeLauro: The amendment reportedly states:

"That none of the funds appropriated by this Act may be used to issue an order under a task and delivery order contract to entities not in compliance with section 835 of Public Law 107-296."

This section of law is part of the original Homeland Security Act (6 U.S.C. 395), which currently prohibits DHS from entering into "any contract with a foreign incorporated entity which is treated as an inverted domestic corporation [.]"

The effect of the DeLauro amendment is to expand the current prohibition from DHS contracts to DHS contracts and DHS "task and delivery orders." It has been reported that the amendment targets one company in particular that currently contracts with DHS to run a large portion the US-VISIT program.

BACKGROUND:

In Committee:

Rep. DeLauro (D-CT) offered an amendment that was adopted in full committee that amended a provision of The Homeland Security Act (6 U.S.C. 395) that currently prohibits contracts with "corporate expatriates." The DeLauro amendment had two parts:

1) The first part expanded the provision to prohibit subsidiaries of these companies from qualifying for grants.

"The Secretary may not enter into any contract with a foreign incorporated entity which is treated as an inverted domestic corporation under subsection (b) of this section, or any subsidiary of such an entity" [bolded section added to current law by DeLauro amendment in Committee] 2) The second part of the amendment expanded the prohibition to include DHS <u>task and delivery orders</u>, "if the contractor for such contract is treated as an inverted domestic corporation."

On the floor:

Today, Rep. Tom Davis made a point of order that the second portion of the DeLauro Amendment was legislating on appropriations and thus should be stripped from the bill. This point of order was sustained and the second part of the provision was stricken.

The new DeLauro amendment attempts to add back the second portion of her original amendment but written in a way that is considered in order

According to the U.S. Chamber of Commerce (which opposes the amendment):

The DeLauro Amendment "will have the effect of negating the recent contract award made to Accenture LLP for the development of the US-VISIT program. That program was established under statutory mandate to fulfill the important function of tracking the entry and exit of foreign visitors to the United States, and its proper implementation will strengthen our national security, aid in enforcement of our immigration laws and facilitate legitimate border traffic. [The adoption of the amendment] will have the effect of significantly delaying the implementation of the [US-VISIT] program.

It is important to understand that the selection of the prime contractor was made by the Department only after a lengthy review process which considered various competing proposals. In announcing the selection, Undersecretary Hutchinson said the selected contractor was chosen based on its management and technical ability, past performance and cost. ... To address certain apparent misconceptions, it is also important to recognize that the prime contractor is an Illinois company. The company pays U.S. taxes and was deemed a qualified bidder under federal procurement laws. Second, the terms of the contract dictate that all work will be done in the United States by United States companies. No jobs will be outsourced to foreign workers. Contrary to some reports in the press, this contract does not fall into the category of offshore outsourcing. An important matter relating to our country's national security is not the place for distorted and inflammatory political rhetoric."

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