

Homeland Security

DISCRETIONARY

\$700
SAVINGS IN MILLIONS¹

Eliminate FEMA’s Fire Grants

Assistance to Firefighters Grants (AFGs) subsidize the routine activities of local fire departments and emergency management organizations. Fire Prevention and Safety (FP&S) grants fund projects to improve firefighter safety and protect the public from fire and related hazards. Staffing for Adequate Fire and Emergency Response (SAFER) grants fund career firefighters’ salaries and volunteer fire departments’ recruitment activities in order to increase staffing levels.

The Heritage Foundation’s Center for Data Analysis evaluated the program’s effectiveness by matching grant award data to the National Fire Incident Reporting System, a database of fire-related

emergencies reported by fire departments. Using panel data from 1999 to 2006 for more than 10,000 fire departments, the evaluation assessed the impact of fire grants on firefighter deaths, firefighter injuries, civilian deaths, and civilian injuries, comparing fire departments that received grants to departments that did not receive grants. It also assessed the impact of the grants before and after grant-funded fire departments received federal assistance. The evaluation showed that AFG, FP&S, and SAFER grants failed to reduce firefighter deaths, firefighter injuries, civilian deaths, and civilian injuries. Comparison fire departments that did not receive grants were just as successful at preventing fire casualties as were grant-funded fire departments.

ADDITIONAL READING

- David B. Muhlhausen, “Do DHS Fire Grants Reduce Fire Casualties?” Heritage Foundation *Center for Data Analysis Report* No. 09-05, September 23, 2009.
- David B. Muhlhausen, “Fire Grants: Do Not Reauthorize an Ineffective Program,” Heritage Foundation *Issue Brief* No. 3788, November 29, 2012.

| PROPOSAL | STATUS | EXPLANATION |
|------------------------------------|----------|--|
| President’s Budget (FY2020) | REJECTED | Cuts and institutes cost shares for other grant programs but not for fire grants specifically. |

HS

DISCRETIONARY

\$850
SAVINGS IN MILLIONS²

Reduce Funding for FEMA’s Disaster Relief Fund

Throughout most of U.S. history, state and local governments were responsible for responding to nearly all disasters. Under President Ronald Reagan, FEMA averaged 28 federal disaster declarations a year. After passage of the amended Stafford Act in 1988, the number rose dramatically: Under President Barack Obama, approximately 120 disasters were declared each year. Two provisions of the Stafford Act are to blame for this: One shifts most of the costs of a federalized disaster to the federal government; the other makes it relatively easy for a regional or localized disaster to qualify as a federal disaster.

Reforming the Stafford Act to return more responsibility for disaster relief to state and local

governments would enable Washington to reduce federal disaster relief spending by at least \$850 million in FY 2020, with more savings in future years. First, Congress should increase the Stafford Act threshold to require \$3 per capita in damages with a \$5 million minimum threshold and a \$50 million maximum threshold. Second, the FEMA cost share should be reduced from between 75 percent and 100 percent to 25 percent, with a greater cost share for large catastrophes. For disasters that top \$5 billion, the cost-share provision should increase gradually as the cost of the disaster increases. This gradual increase in cost sharing should be capped at 75 percent once a disaster tops \$20 billion.

ADDITIONAL READING

- David Inserra, “FEMA Reform Needed: Congress Must Act,” Heritage Foundation *Issue Brief* No. 4342, February 4, 2015.

| PROPOSAL | STATUS | EXPLANATION |
|-----------------------------|---------------|-------------|
| President’s Budget (FY2020) | NOT ADDRESSED | |

HS

DISCRETIONARY

\$470
SAVINGS IN MILLIONS³

Privatize Transportation Security Administration Screening Functions

The TSA model is costly and unwisely makes the TSA both the regulator and regulated organization responsible for screening operations. With President Donald Trump promising to shrink federal bureaucracies and bring private-sector knowhow to government programs, the TSA is ripe for reform. The U.S. should look to the Canadian and European private models of providing aviation screening manpower to lower TSA costs while maintaining security.

More specifically, the TSA could privatize the screening function by expanding the current Screening Partnership Program (SPP) to all airports. The TSA would turn screening operations over to airports that would choose security contractors that meet TSA regulations and would oversee and

test airports for compliance. Alternatively, it could adopt a Canadian-style system, turning over screening operations to a new government corporation that contracts screening service to private contractors. Contractors would bid to provide their services to a set of airports in a region, likely with around 10 regions. The TSA would continue to set security regulations and test airports for compliance, and the new corporation would establish any operating procedures or customer service standards.

Some of this funding should be used to reduce airport security fees for travelers. The government could expect to save at least 10 percent from the existing aviation screening budget, but savings could be significantly larger.

ADDITIONAL READING

- David Inserra, "Time to Privatize the TSA," Heritage Foundation *Backgrounder* No. 3120, July 19, 2017.

| PROPOSAL | STATUS | EXPLANATION |
|-----------------------------|---------------|-------------|
| President's Budget (FY2020) | NOT ADDRESSED | |

\$700
SAVINGS IN MILLIONS⁴

DISCRETIONARY

Reform Payments from the National Flood Insurance Program

The federal government holds a monopoly on primary flood insurance for homeowners and businesses, and the program is debt-ridden and dysfunctional. Because a large proportion of the government’s flood-risk maps are obsolete, the premiums charged under the NFIP do not reflect actual risk. Artificially low premiums promote overdevelopment in flood-prone areas, which worsens the devastation of natural disasters and dramatically increases the recovery costs borne by taxpayers.

The Federal Emergency Management Agency has repeatedly proven its inability to manage flood mapping properly. Therefore, the Flood Hazard Mapping Program should be eliminated (\$168 million), and responsibility for risk mapping should be shifted to private insurers.

The government already contracts with private property and casualty insurers to sell and service

NFIP policies. Insurers receive a generous commission of 15 percent of net written premiums and may also receive a bonus for meeting sales goals. (According to the Government Accountability Office, the government lacks the information necessary to determine whether its compensation payments are appropriate.⁵)

Instead of paying private insurers to sell government policies, Congress should phase out the NFIP in favor of a private insurance market. The first step is to allow private insurance to satisfy federal loan requirements, after which there should be a moratorium on government policies for newly acquired properties (after a date certain). FEMA should also put out for bid a portion of the insurance pool each year. At the very least, the NFIP should be barred from insuring any property with lifetime losses that, in the aggregate, exceed twice the amount of the replacement value of the structure.

HS

| PROPOSAL | STATUS | EXPLANATION |
|-----------------------------|---------------|-------------|
| President’s Budget (FY2020) | NOT ADDRESSED | |

POLICY RIDERS

Judiciously expand and rename the Visa Waiver Program. Congress should allow the Secretary of Homeland Security to raise the 3 percent refusal rate to 10 percent if a country has a low visa-overstay rate. In addition, because “visa waiver” is often incorrectly associated with lax vetting of foreign travelers, Congress or the Department of Homeland Security should rename the VWP. One recommendation is to rename the program the Partnership for Secure Travel (PST), a designation that recognizes both the reciprocal, mutually beneficial nature of the program and its importance to U.S. security.⁶

Streamline congressional oversight of DHS. As the Aspen Institute put it in 2013, “DHS should have an oversight structure that resembles the one governing other critical departments, such as Defense and Justice.”⁷ This means placing oversight of DHS under one primary homeland security committee in the House and one in the Senate, with some additional oversight by the intelligence committees and homeland security appropriations subcommittee in both chambers.

Close immigration loopholes. Congress should reject the *Flores* settlement in order to allow accompanied children to remain with their parents while awaiting asylum adjudication or prosecution of misdemeanor violations of immigration law. Congress should reform the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2008 to allow rapid repatriation of unaccompanied children from countries that are non-contiguous with the U.S. to their home countries.⁸

Establish private refugee-resettlement pilot programs. Refugees resettled to Canada through its private resettlement program have better assimilation outcomes and report greater satisfaction with their new lives than do those resettled by the government alone. Congress should amend existing refugee law to establish private resettlement pilot programs, set the number of refugees that are allowed to participate in these programs, and include a mechanism to expand the programs. For example, if private resettlement is capped at 5,000 but 10,000 private benefactors want to sponsor a refugee, then an additional 5,000 private refugees should be allowed by taking 5,000 refugee spots from next year’s U.S. Refugee Admissions Program quota. In addition, because it is difficult for private sponsors to support a refugee with significant health issues, the U.S. should design the program to ensure that private sponsors do not shoulder the burden of onerous medical costs.⁹

Create a Counter-Unmanned Aerial Systems pilot program for state and local law enforcement. Many large public events and critical infrastructure facilities beyond federal installations will need protection from drone-based attacks. Congress should create a pilot program modeled after the 287(g) program, which would allow the DHS to enter into agreements with state and local law enforcement agencies to train and deputize particular officers to fulfill CUAS responsibilities under the direction of federal authorities. The pilot program should start after the completion and promulgation of CUAS regulations and rules by the Department of Homeland Security, and all program participants should be subject to these regulations. The pilot program should require the DHS to enter into agreements with a variety of different local partners, using an array of approved technologies at diverse venues and facilities.¹⁰

ENDNOTES

1. Estimated savings of \$700 million for FY 2020 are based on the FY 2019 appropriated level as specified in H.J.Res. 31, Consolidated Appropriations Act, 2019, Public Law 116-6, 116th Cong., February 15, 2019, <https://www.congress.gov/bill/116th-congress/house-joint-resolution/31> (accessed March 13, 2019). The AFG and SAFER programs each received \$350 million in appropriations for FY 2019. Heritage experts assume that the FY 2019 levels remain constant in FY 2020.
2. Estimated savings of \$850 million for FY 2020 are a Heritage estimate of potential savings based on current disaster relief programs and their budget authority as authorized and found in the Consolidated Appropriations Act, 2019.
3. Estimated savings of \$470 million for FY 2020 are based on David Inserra, "Time to Privatize the TSA," Heritage Foundation *Backgrounder* No. 3120, July 19, 2017, <https://www.heritage.org/homeland-security/report/time-privatize-the-tsa>. Estimated savings are based on likely spending reductions from implementing a private screener system similar to the Canadian model.
4. Estimated savings of \$700 million for FY 2020 are based on Heritage estimates using data from Congressional Budget Office, *The National Flood Insurance Program: Financial Soundness and Affordability*, September 2017, <https://www.cbo.gov/system/files?file=115th-congress-2017-2018/reports/53028-nfipreport2.pdf> (accessed March 13, 2019). This report estimates that the NFIP costs \$1.4 billion per year. We estimate that a shift to a fully privatized flood insurance market would result in savings equal to half of the NFIP's costs in FY 2020. In later years, savings would equal the full cost of the NFIP.
5. U.S. Government Accountability Office, *Flood Insurance: FEMA Needs to Address Data Quality and Consider Company Characteristics When Revising Its Compensation Methodology*, GAO-17-36, December 2016, <https://www.gao.gov/products/GAO-17-36> (accessed March 15, 2019).
6. David Inserra, "Advancing American Security, Economic, and Foreign Policy Interests Through the Visa Waiver Program," Heritage Foundation *Issue Brief* No. 4812, January 26, 2018, <https://www.heritage.org/homeland-security/report/advancing-american-security-economic-and-foreign-policy-interests-through> (accessed March 13, 2019).
7. Aspen Institute, Justice and Society Program, *Task Force Report on Streamlining and Consolidating Congressional Oversight of the U.S. Department of Homeland Security*, September 2013, p. 4, <https://assets.aspeninstitute.org/content/uploads/files/content/docs/pubs/Sunnylands%20report%2009-11-13.pdf> (accessed March 13, 2019).
8. David Inserra, "Immigration Law and Enforcement in Dire Need of Clarity and Major Overhaul," Heritage Foundation *Issue Brief* No. 4912, October 24, 2018, <https://www.heritage.org/immigration/report/immigration-law-and-enforcement-dire-need-clarity-and-major-overhaul>.
9. Olivia Enos, David Inserra, and Joshua Meservey, "The U.S. Refugee Admissions Program: A Roadmap for Reform," Heritage Foundation *Backgrounder* No. 3212, July 5, 2017, <https://www.heritage.org/immigration/report/the-us-refugee-admissions-program-roadmap-reform>.
10. Jason Snead, John-Michael Seibler, and David Inserra, "Establishing a Legal Framework for Counter-Drone Technologies," Heritage Foundation *Backgrounder* 3305, April 16, 2018, <https://www.heritage.org/technology/report/establishing-legal-framework-counter-drone-technologies>.