



Homeland Security

Summary and Key Talking Points

Policy Proposals

1. Privatize the Transportation Security Administration's security screeners while leaving the TSA responsible for providing oversight.
2. Authorize federal agencies to develop rules of engagement for counter-drone operations.
3. Demand a comprehensive review of the U.S. Coast Guard to identify what capabilities it will need to complete its missions.
4. Examine the Federal Emergency Management Agency's grant program to eliminate grants and significantly cut funds for programs that do not protect the homeland and should not be federally funded.

Quick Facts

1. Twenty-two airports participate in TSA's Screening Partnership Program, which enables private companies to bid on airport screening jobs and staff them more efficiently.
2. There are approximately 900,000 registered drones in the U.S., and a single Chinese drone manufacturer, DJI, accounted for 77 percent of U.S. market share as of 2019.

Power Phrases

Protecting the Homeland

- Protecting the U.S. homeland requires the Department of Homeland Security (DHS) to be prepared to respond to a wide variety of threats—from natural disasters to terrorists seeking access to our country.
- A number of its critical missions have been underfunded for years, or suffer from misused resources.
- Much-needed reforms and resource reallocations—including increased funding for the U.S. Coast Guard, shifting disaster funding and preparation toward state and local responsibility versus more FEMA responsibility, and more efficient and effective TSA privatization—can help ensure success on these critical missions for years to come.

The Issue

Protecting the U.S. homeland requires managing risk posed by a wide variety of human and natural threats. Transportation security, disaster response, vetting of immigrants and visitors, and providing security, assistance, and rescue in U.S. waters and beyond are just a few of the critical missions that the Department of Homeland Security (DHS) carries out every day. Under the Biden Administration, however, DHS has put the country at greater risk by opening our southern border, failing to vet Afghan evacuees adequately after the Administration's chaotic withdrawal from Afghanistan, prohibiting the enforcement of immigration laws and sharing of information with respect to illegal aliens, and prioritizing issues like climate change and white supremacy that are not relevant to its mission.

After 9/11, it was clear that more needed to be done to address the threat of terrorist attacks using airplanes. Today, it is also clear that the Transportation Security Administration (TSA) needs to be reformed. The TSA not only sets security rules, but also employs the workforce that carries out those rules—not a design for good governance or fiscal responsibility. Most advanced economies have a security agency that sets the rules and performs oversight while security contractors do the screening. The U.S. should privatize the TSA to increase accountability and save limited homeland security dollars. Similarly, more should be done to protect Americans from the threat posed by hostile and wayward aerial drones.

Increasing demands on the U.S. Coast Guard (USCG), especially in the Indo-Pacific and Arctic, have strained its small budget and fleet, which already needs to be modernized. The Coast Guard last updated its Program of Record (POR), the document that lays out its fleet needs, in 2004. A Coast Guard analysis from 2009 estimated that the existing POR accounts for only 61 percent of the cutters needed to fulfill the Coast Guard's needs. That analysis also showed that there were gaps in capability and capacity across the service's mission sets. The POR calls for 25 offshore patrol cutters, but the 2009 analysis suggested that the service would need 57 to meet its mission demands. To understand the risks and plan the fleet, the Coast Guard should update its POR to account for its current mission demands.

Disaster response also suffers from resource problems as well as misplaced sources for financial relief. The Federal Emergency Management Agency (FEMA) Disaster Relief Fund and National Flood Insurance Program (NFIP) have frequently run out of funds or run vast deficits requiring taxpayer bailouts. Disaster relief policies have shifted responsibility from individuals and local governments, where it should lie, to the federal government and the taxpayers. This discourages state and local governments from taking common-sense precautionary steps to mitigate the impact of natural disasters. Moreover, since the bar for qualifying as a designated disaster is very low, states rely too heavily on FEMA after a disaster occurs and are less prepared for large disasters before they strike. Similarly, the NFIP subsidizes flood insurance policies, which means that it consistently runs a deficit and encourages building and rebuilding in higher-risk, flood-prone areas.

In addition, FEMA is responsible for providing DHS grant money to states, localities, and non-governmental organizations. When DHS was created, such grants were focused on equipment and training to protect ports, major urban targets, and other designated security priorities. Like all government programs, however, the FEMA grant program has expanded to provide taxpayer funds to non-security and other issues that are not relevant to the agency's mission. For example, in 2021, DHS directed FEMA to provide grant money to house unaccompanied alien children who were crossing the border illegally. Such grant expansion has raised recipient expectations and led to taxpayer abuse.

Recommendations

Invest in the U.S. Coast Guard. The USCG fulfills many missions at home and around the world, but it does so with a fleet that badly needs to be updated. Congress should provide consistent funding to the USCG so that

it can complete its program of record. Congress should also demand a comprehensive review of the program of record to identify what capabilities the USCG needs to complete its missions.

Reform FEMA and disaster response. FEMA currently spends too much of its time on relatively small disasters, leaving it less prepared for the “big one.” Similarly, much of the funding for such disasters comes from many different federal programs. This should be reformed to encourage state and local governments to be more prepared for disasters in terms of funding, capabilities, and planning. Resilient, prepared communities are needed to help the U.S. recover from a disaster in a cost-effective manner.

Privatize the TSA. The TSA’s government-only model does not effectively or economically provide the aviation security that America needs. At the 22 airports where TSA uses the Screening Partnership Program, private companies can set their own staffing targets and hire as many screeners as they need. To increase accountability and save funding, Congress should privatize the TSA’s security screeners while leaving the TSA responsible for setting rules and providing oversight. Congress can look to the Canadian model of aviation security as a potential road map for reform.

Develop counter-drone systems and rules. The number of unmanned aerial systems (drones) is increasing rapidly, and the U.S. needs to do more to protect itself from their potentially harmful uses. The Departments of Homeland Security, Defense, and Justice should be authorized to develop rules of engagement for counter-drone operations, but it will take time to develop these rules and field capabilities to detect and take down malicious drones. Congress must encourage and support these efforts while also expanding drone protection beyond just federal authorities: State and local law enforcement should be deputized and trained by DHS in counter-drone operations to help protect more sites and facilities across the U.S.

Facts + Figures

FACT: FEMA’s National Flood Insurance Program (NFIP) currently owes \$20.525 billion to the U.S. Treasury.

- The NFIP has \$9.9 billion in borrowing authority from a \$30.425 billion limit in law.

FACT: Congress appropriated \$20 million for FEMA to use for targeted violence and terrorism prevention grants in fiscal year (FY) 2021.

- \$5 million of this \$20 million must be spent on an Alternatives to Detention (ATD) Case Management Pilot Program “to improve services for noncitizens in immigration proceedings.” The program will award funds to nonprofit organizations and local governments and will be chaired by the HHS Civil Rights and Civil Liberties Officer.

FACT: Both the use of drones and the need to protect against their malicious use have increased dramatically.

- The Federal Aviation Administration reports nearly 900,000 registered drones in the U.S.
- In 2019, a single privately owned Chinese drone manufacturer, DJI, held approximately 77 percent of the U.S. consumer drone market.
- In 2018, then-Secretary of Homeland Security Kirstjen Nielsen testified that drones are “a prime example” of “emerging threats [that] are outpacing our defenses.”
- Until recently, the FBI, DHS, and other security agencies were unable to deploy and use systems for intercepting drones. This left a dangerous legal gap in U.S. defenses. Legislation was recently passed to fix this gap, but developing these tools and rules of engagement will take time, and more policy fixes are still needed.

Additional Resources

James Di Pane and Chad F. Wolf, "U.S. Coast Guard: Three Priorities for FY 2022," Heritage Foundation *Issue Brief* No. 5209, August 26, 2021.

James Di Pane and Kaitlyn Romaine, "U.S. Needs Icebreakers to Keep Up with China and Russia in Arctic," Heritage Foundation *Commentary*, June 18, 2021.

John Venable and Lora Ries, "Chinese-Made Drones: A Direct Threat Whose Use Should Be Curtailed," Heritage Foundation *Backgrounder* No. 3521, August 19, 2020.

Jason Snead, John-Michael Seibler, and David Inserra, "Establishing a Legal Framework for Counter-Drone Technologies," Heritage Foundation *Backgrounder* No. 3305, April 16, 2018.

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