



Department of Justice

STATEMENT OF

**LORETTA E. LYNCH
ATTORNEY GENERAL**

BEFORE THE

**APPROPRIATIONS SUBCOMMITTEE ON COMMERCE, JUSTICE,
SCIENCE, AND RELATED AGENCIES
UNITED STATES HOUSE OF REPRESENTATIVES**

FOR A HEARING ON

**THE FISCAL YEAR 2017
DEPARTMENT OF JUSTICE BUDGET REQUEST**

PRESENTED

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**Statement of Attorney General Loretta E. Lynch
Before the Subcommittee on
Commerce, Justice, Science, and Related Agencies
Committee on Appropriations
United States House of Representatives
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Good morning, Chairman Culberson, Ranking Member Honda, and other distinguished Members of the Subcommittee. It is an honor for me to appear before you today for the first time as Attorney General of the United States to present the President's Fiscal Year (FY) 2017 Budget for the Department of Justice, as well as highlight the excellent progress the Department has made over the past year. The Department looks to build on our successes and continue progress on the most pressing issues affecting our communities and our citizens.

The President's FY 2017 Budget requests \$29 billion in discretionary authority for the Department of Justice (the Department or DOJ), including \$27 billion for federal programs and \$2 billion for state, local, and tribal assistance programs. This is a \$265 million increase over our FY 2016 enacted funding level. The Department's FY 2017 Budget proposal supports federal law enforcement priorities and the criminal justice priorities of our state, local, and tribal law enforcement partners. The request represents a comprehensive investment in the Department's mission and includes increases in funding for countering violent extremism and other national security areas, civil rights and advancing equality under the law, *Smart on Crime* activities, including increased funds for prisoner reentry initiatives, and other key enforcement initiatives.

The key DOJ funding priorities include:

- **Security of the country and safety of the American people.** The Budget invests an additional \$781 million to counter violent extremism, improve intelligence gathering, strengthen foreign partnerships, and address the issue of Going Dark.
- **Investigating and prosecuting cybercrimes and countering cyber threats.** The Budget provides an additional \$121 million to investigate and address computer intrusions and cybercrimes, secure the Department's critical information networks, and protect against insider threats.
- **Augment the *Smart on Crime* initiative to continue to focus federal criminal justice resources effectively.** The Budget invests an additional \$247 million in the *Smart on Crime* initiative, which focuses resources on the most important law enforcement priorities, reduces disparate impacts of the criminal justice system on vulnerable communities, and prioritizes crime prevention and recidivism reduction programs.

- **Building trust between law enforcement and the communities they serve.** The Budget includes an increase of \$129 million to further the efforts the Department and its state and local law enforcement partners have made to build and sustain community trust. Through the Office of Community Oriented Policing Services (COPS), the Community Relations Service (CRS), the Civil Rights Division (CRT), and the Office of Justice Programs (OJP), the Department provides law enforcement with access to the tools and support they need to do their jobs safely and effectively.
- **Protecting citizens and addressing threats as they emerge.** The Budget requests an additional \$164 million in investments to investigate and hold accountable those who break federal laws and harm innocent citizens. This enhancement aims to combat violent crime and the increase in illicit drug use such as heroin, and strengthens the litigating divisions of the Department.
- **Protecting the nation's most vulnerable populations.** The Budget will provide an additional \$81 million in funds to ensure the rights and opportunities of the elderly, youth, and tribal populations, among other vulnerable groups in our society. This includes expanding civil and criminal litigation, providing support through grants, training, and technical assistance, and issuing guidance and regulations.
- **Improving access to justice in both criminal and civil courts nationwide.** The Budget includes an increase of \$21.5 million to conduct research and build the Department's capacity to assist the states in improving their justice systems. Through the Office of Justice Programs and the Office for Access to Justice, the Department provides grants and technical assistance to jurisdictions to help justice systems work more fairly and efficiently by expanding access to counsel to low-income people.
- **Address gaps in critical Department infrastructure.** The Budget invests an additional \$179 million to protect DOJ's critical information systems and information from attack and exploitation. Enhancements include facility construction, network improvements, and additional staff.
- **Partnerships with state, local, and tribal entities.** The Budget provides \$4.7 billion in discretionary and mandatory funding for state, local, and tribal law enforcement assistance whereby the Department maintains its commitments to its partners without reducing its federal operational role. Simultaneously, efficiencies are identified to ensure that federal resources are being targeted to the most effective grant programs.
- **Protecting citizens in Indian Country.** The Budget requests \$418 million in total resources for support activities across many DOJ components that address a range of criminal and civil justice issues facing Native American communities. The Department is requesting additional resources to facilitate tribal access to critical information sharing systems, strengthen enforcement of environmental laws on tribal lands, and support consultation with tribes and coordination of tribal policies through the Office of Tribal Justice (OTJ).

National Security and the Safety of the American People

National security remains the Department's highest priority. The Department will always maintain its commitment and its responsibility to safeguard American citizens and defend the homeland, while maintaining American values. Threats are constantly evolving, requiring additional investments to adapt to those threats in innovative ways. In FY 2015, the Federal Bureau of Investigation (FBI) opened more than 9,000 cases, of which approximately 1,100 were national security cases. During FY 2015, the FBI's efforts resulted in over 27,000 arrests and more than 14,000 convictions. The FY 2017 request continues to support a comprehensive national security strategy towards countering violent extremism (CVE) in U.S. communities. The recent tragedy in San Bernardino demonstrates the gravity of this threat, and the Department is committed to addressing it.

The FY 2017 Budget will enable the Department to continue to respond to evolving threats by providing \$781 million in program increases for five critical national security areas: (1) a new FBI headquarters; (2) countering violent extremism; (3) information sharing with the Intelligence Community (IC) and integrating new and enhanced biometric technologies into operations; (4) strengthening foreign partnerships and building new ones; and (5) addressing the Going Dark threat.

Today's national security and crime threats require that the FBI maintain an interconnected and nimble workforce. The complexities of today's national security work dictate that the FBI be in an interconnected workspace to promote internal information sharing. A new, modern FBI facility will consolidate disparate worksites into one common location and exploit synergies previously stovepiped in the FBI. The men and women of the FBI are critical to protecting national security, and this request demonstrates our commitment to invest in their safety and provide them with an appropriate environment conducive to their important work.

The Department requests an increase of \$17 million to deter radicalization and violent extremism within the United States through locally driven prevention and intervention efforts and research. Supported by COPS and OJP grants, the Department will foster community-led CVE efforts, conduct research on the causes of domestic radicalization and strategies for effective intervention and prevention, and emphasize trusted partnerships between public safety agencies and local residents and community organizations. Additionally, the U.S. Attorneys' Offices will expand their community presence through Community Resilience Coordinators, and enhance federal engagement with and support to local communities as part of the CVE initiative. These efforts will work to counter violent extremism espoused by both international and homegrown actors.

To maintain its role as a national security leader, the Department requests an increase of \$63 million in FY 2017 to continue to address worldwide threats by enhancing its intelligence capacity and capabilities and strengthening coordination with foreign partners. The requested funding will enhance collaboration with the IC through leveraging the IC Information Technology Enterprise (IC ITE) components and services. IC ITE lays the groundwork that will enhance the FBI's ability to share information through improved infrastructure, capabilities, business operations, governance, oversight, and strategic partnerships. The request also supports critical operational funds for the FBI's new Biometric Technology Center (BTC).

The Department is committed to building new foreign partnerships and improving existing ones. The Budget request includes \$16 million in additional funding to enhance technical assistance and training, as well as transform the manner in which DOJ provides legal assistance to its international partners. In particular, the Criminal Division will receive an additional \$10 million in support of efforts to reform the Mutual Legal Assistance Treaty (MLAT) process. To protect our national security, we must transform the manner in which we conduct international mutual legal assistance in criminal and counterterrorism matters.

Through the International Criminal Investigative Training Assistance Program (ICITAP) and the Office of Overseas Prosecutorial Development Assistance and Training (OPDAT), DOJ plays a central role in policy formulation, strategic development, and implementation of global assistance programs that further U.S. national security interests. The FY 2017 funding request will provide a permanent base budget for ICITAP's and OPDAT's headquarters operations to allow the Department to continue and expand its important work in this arena.

As an integral U.S. source for international law enforcement intelligence, INTERPOL Washington is experiencing a large increase in demand from state, local, tribal, federal, and international agencies for services and assistance due to significant increases in transnational crime and the threat of international terrorism. The requested funding increase of \$1.4 million will enable INTERPOL Washington to hire additional employees and contractor support to process the increase in query traffic over the past five years and expected future growth in traffic. Accurate and timely processing of incoming requests is critical to INTERPOL's ability to provide timely investigative support to our foreign and domestic law enforcement partners.

As technology and the means by which people communicate advance, the law enforcement community continues to lack the necessary tools to track dangerous criminals and terrorists. Law enforcement must adapt to evolving communication technologies, anonymization, and encryption. As a result, the law enforcement community faces an increased threat of Going Dark: the degradation of law enforcement's ability to lawfully access, collect, and intercept real-time communications and stored data. The FBI will use \$38 million in funding

to develop and acquire tools for electronic device analysis, cryptanalytic capability, and forensic tools to address the threat Going Dark poses to law enforcement and national security.

Combating Cybercrime and Countering Cyber Threat Actors

Cybercrimes are becoming more common, more sophisticated, and more dangerous. Our adversaries increasingly use computers and the Internet to further their illicit activities and threats to our security, welfare, and our way of life. The significant intrusions of private sector and government networks over the past two years, including the breaches into the Office of Personnel Management, have highlighted the increasing capabilities of these cyber actors. Safeguarding our essential information networks and the personal and private data that they hold is a top priority, and the Department is using every tool at its disposal to work proactively, respond swiftly, and adapt constantly to this threat.

The FY 2017 Budget provides \$121 million in additional resources to investigate and address computer intrusions and cybercrimes, defend the security of the Department's critical information networks, and protect against insider threats. The majority of this request provides \$85 million in additional funding to enhance the technical capabilities of FBI investigative personnel, increase the number of cyber investigations, and improve cyber collection and analysis. The requested funding will build on the progress and development of the FBI's cyber efforts.

An additional \$2 million is requested for OJP's Cybercrime and Intellectual Property Enforcement Program—for a total of \$15 million—to support efforts to combat economic, high technology, and Internet crimes, including the intellectual property crimes of counterfeiting and piracy. The program will also support crime analysis and delivery of evidence-based crime fighting technology—including information sharing systems, software and hardware development, mobile communications to support law enforcement, and reentry offender case management systems—through grants, training, and technical assistance.

The FY 2017 Budget request includes an \$8 million increase for the Drug Enforcement Administration (DEA) to enhance its cyber security posture. Requested funding will establish an insider threat program as mandated by Executive Order 13587, as well as build additional capability and capacity to monitor DEA's increasingly large and complex classified and sensitive information systems for threats that could degrade DEA operations. Additionally, a \$26 million increase is included for Justice Information Sharing Technology (JIST) to maintain and strengthen the Department's cyber security environment to counter cyber threats and to ensure our personnel have unimpeded access to the IT systems, networks, and data necessary to achieve their missions.

Building upon the *Smart on Crime* Initiative

In early 2013, the Justice Department launched a comprehensive review of the criminal justice system in order to identify reforms that would ensure federal laws are enforced fairly and, in an era of reduced budgets, efficiently. The *Smart on Crime* initiative focuses federal resources and places the harshest sentences on the most serious offenders rather than prioritizing the sheer number of prosecutions. Prioritizing crime prevention and recidivism reduction strengthens our justice system and places a lower financial burden on the budget so that funds can be spent on other essential public safety priorities.

Of the \$247 million requested in program increases for the *Smart on Crime* initiative in FY 2017, \$91 million is dedicated to reentry- and recidivism-reducing programs at the Bureau of Prisons (BOP). More specifically, this funding will expand programming to strengthen familial bonds, fund innovative reentry programs, increase Residential Reentry Center bed space capacity, and provide additional vocational and education training. At U.S. Attorneys Offices, an additional \$5 million will support prevention and reentry coordinators in 53 districts. Additionally, OJP will use a \$57 million increase to expand several key grant programs, to include its Residential Substance Abuse Treatment program and Second Chance Act grants with a goal of reducing recidivism rates.

As the President has stated, reducing recidivism requires paying more attention to the mental and physical health of inmates. BOP will use \$93 million for mental health treatment in the general inmate population, as well as at Residential Reentry Centers and other resources in Special Housing Units and Special Management Units. The enhancements will also be used for expanding Hepatitis C treatment, medically assisted treatment for individuals in the justice system dependent on opioids, and sex offender cognitive behavioral treatment. These enhancements reflect the President's directive to improve restrictive housing options by expanding mental health treatment options.

Building Community Trust and Strengthening Relationships

Through the events involving adverse and sometimes tragic interactions between law enforcement officers and members of their communities over the past year, it is clear that the Department of Justice plays a role in strengthening the partnerships between community members and law enforcement professionals at every level of government. The Department is making good on its pledge to provide law enforcement with access to the tools and support they need to do their jobs as safely and effectively as possible. The President's Task Force on 21st Century Policing unanimously developed nearly 60 recommendations to pave the path toward the Administration's two-part goal of crime reduction and building trust between law enforcement and local communities.

Law enforcement culture should build trust and legitimacy both within agencies and with the public. Toward that end, law enforcement agencies should adopt procedural justice as the guiding principle for internal and external policies and practices to guide interactions between law enforcement officers and the communities they serve. The FY 2017 Budget includes an additional \$63 million to advance the President’s Community Policing Initiative through OJP and COPS. The Budget invests \$20 million in the Procedural Justice—Building Community Trust program, which focuses on enhancing procedural justice, reducing bias, and supporting racial reconciliation in the criminal and juvenile justice systems. The Department’s Smart Policing Program includes \$15 million in additional funds to improve police-citizen interactions while developing economical solutions to crime problems in their communities. This program includes the Body-Worn Camera (BWC) Partnership Program, which provides an additional \$8 million in grants covering up to half the cost of purchasing body-worn cameras for state and local law enforcement.

The law enforcement community has a unique opportunity to ensure fairness, advance bias-free policing, and strengthen community engagement and trust. The Department will tailor its efforts to the needs of the communities it serves through CRS, CRT, and OJP, with an increase of \$25 million to further such initiatives. CRS will implement racial reconciliation and restorative justice programs that address the lack of mutual trust between minority communities and law enforcement agencies; fund assistance to local agencies with potentially volatile minority communities; and invest in research on best practices for building collaborative efforts between law enforcement and the communities they serve. With the additional funding, CRT will augment its staff and expand its capacity to address cases involving the rights of children and people with disabilities who come into contact with the justice system. OJP’s request supports its National Crime Statistics Exchange Initiative (NCS-X), which will collect and report crime statistics to inform crime control policies at all levels of law enforcement; improves police responses to individuals with mental illness, and helps law enforcement agencies improve their response to children and families who come into contact with law enforcement.

Community policing emphasizes working with neighborhood residents to advance public safety. With an additional \$42 million, the FY 2017 Budget will increase, through the COPS Hiring Program, the number of community police officers working with residents to identify crime problems particular to their neighborhoods and collaborating with them on implementing solutions that produce meaningful results for the community.

Protecting Citizens and Addressing Threats to Public Safety

The FY 2017 Budget request supports the President’s initiatives on reducing gun violence, as well as significant investments that focus on combatting violent crime throughout

the United States. To this end, the Department requests \$164 million in additional investments. The request includes \$89 million to enhance the enforcement of existing federal firearms laws and expand the Bureau of Alcohol, Tobacco, Firearms and Explosives' (ATF's) regulatory capacity. Funding will support National Firearms Act application processing, enhancements to the National Integrated Ballistics Information Network (NIBIN), and for the FBI to maintain FY 2016 investments in the National Instant Criminal Background Check System (NICS).

The Budget requests an additional \$39 million in resources to combat violent crime. This additional funding will support hiring of 54 additional Deputy U.S. Marshals, creating a new Regional Fugitive Task Force to apprehend violent fugitives, and improving Deputy U.S. Marshal safety equipment. In addition, the Organized Crime Drug Enforcement Task Forces (OCDETF) request operational funding increases in pursuit of Transnational Organized Crime (TOC) targets, such as those on the Top International Criminal Organizations Target (TICOT) list. Further, FBI will augment existing information technology (IT) systems to create a consolidated TOC watch list. The Budget includes \$5 million for OJP to continue to expand the Violence Reduction Network, which leverages the vast array of existing resources across the Department to implement and administer a comprehensive approach to violence reduction in some of the country's cities with the highest violent crime rates.

The President's Budget requests an additional \$17 million to counteract increased availability and abuse of heroin, including resources for the DEA to establish additional Heroin Enforcement Groups. The Department's request also provides increases to thwart international drug trafficking and to support high priority prosecutions against drug trafficking organizations along the Southwest Border. These investments illustrate DOJ's commitment to combatting the opioid epidemic and supporting the victims of this public health crisis.

Protecting the Most Vulnerable Populations

The Department's priority of upholding the civil and constitutional rights of all Americans, particularly the most vulnerable members of our society, remains of the highest importance. The nation's vulnerable populations deserve the same rights, opportunities, and protections from injustices as the rest of society. The Administration and the Department are committed to accomplishing this goal and ensuring our vulnerable members are always protected—particularly those caught in the clutches of human trafficking, a heinous offense that has appropriately been described as modern-day slavery. Seeking justice for the victims of human trafficking is a cause that has long been close to my heart, and it is now one of my main priorities as Attorney General. Our FY 2017 Budget includes \$89.3 million to reinforce the Department's efforts to combat human trafficking and provide protection and services to victims. This includes \$45 million for OJP's Victims of Trafficking Program.

One particularly critical demographic of the country's vulnerable populations is our youth. It is of the utmost importance to provide services to children exposed to violence in order to break the cycle of violence and to address the needs of at-risk youth to prevent further contact with the criminal justice system. The FY 2017 request includes a \$64 million net increase for OJP's Juvenile Justice Programs appropriation account, in addition to increases in related state and local law enforcement programs. An increase of \$25 million will augment the Delinquency Prevention Program, with the first goal being to prevent children from entering the criminal justice system by providing assistance, guidance, and support as early as possible. The Budget requests \$30 million to reestablish the Juvenile Accountability Block Grant Program, which encourage states and units of local government to implement accountability-based programs and services and strengthen the juvenile justice system. The Department is committed to supporting and protecting this country's young people.

Additional resources are requested to ensure the nation's police are properly trained to interact with children, people with mental illness, and people with disabilities, and to support enforcement, technical assistance, and the issuance of guidance and regulations related to the Americans with Disabilities Act. In addition, the Department is proud to protect the rights of our service members, and this budget allows us to continue our commitment to defending the civil rights of active duty military and veterans.

Improving Access to Justice Nationwide

The Budget requests an increase of \$21.5 million for programs to help state, local, and tribal partners address the access to justice crisis with systematic improvements to their indigent defense and civil legal aid systems, as well as for research conducted by the National Institute of Justice and the Bureau of Justice Statistics. We have proposals to assist jurisdictions with training and technical assistance to improve their indigent defense programs, both for adults and juveniles. In another understudied area of our justice system, we propose a new grant program to incentivize states to create integrated civil legal aid delivery systems to better meet the legal needs of low- and moderate-income people. This funding would amplify the direct services provided by grantees of the Legal Services Corporation by engaging other stakeholders like the state judiciary to improve access to justice.

Upgrading Mission Critical Infrastructure

In order to maintain an effective and efficient organization, the Department must invest in its infrastructure to support its investigative and prosecutorial enterprises. The request of \$179 million builds on investments previously made to address gaps in critical infrastructure, including IT improvements that support both law enforcement and litigating components, facility construction and maintenance, policy oversight, and personnel security investments.

The resources requested for IT improvements total \$79 million to upgrade outdated IT systems and enhance the capabilities of existing systems for multiple law enforcement and litigation components. The upgrades will keep pace with security, stability, and scalability, and will result in operational efficiencies for mobile capabilities and improved information sharing. For facility construction and maintenance, \$93 million is requested for the FBI, the Executive Office for Immigration Review (EOIR), and the U.S. Marshals Service (USMS) for priority construction, infrastructure improvements, and detention housing of federal prisoners. The Department requests \$8 million for policy offices (supported by the General Administration (GA) appropriation) and the USMS's Office of Professional Responsibility to enhance policy analysis, coordination, and compliance functions. The Department's grant-making components will continue to implement GrantsNet, an integrated shared services approach that enables common business processes, decreases the number of grants management solutions, and eliminates standalone systems and tools. Finally, \$277,000 is requested for personnel security to address the Department's current backlog of security investigations of both federal employees and contractors and future security investigation needs.

Investing Resources to Assist State, Local, and Tribal Partners

The FY 2017 Budget maintains the Department's commitments to state, local, and tribal law enforcement partners without reducing DOJ's federal operational role. It also begins a 10-year, \$500 million per year commitment to funding criminal justice reform efforts nationwide. The FY 2017 discretionary and mandatory request for state, local, and tribal law enforcement assistance is \$4.7 billion, including discretionary enhancements of \$443 million. This request also contains identified efficiencies to ensure that only the most effective grant programs receive federal resources.

The FY 2017 request for COPS totals \$286 million, and includes an increase of \$42 million for the COPS Hiring Program and \$3 million to supplement the CVE initiative. The Office on Violence against Women's (OVW) FY 2017 request totals \$489 million, and includes increases of \$11 million for the Improving Criminal Justice Responses to Sexual Assault, Domestic Violence, Dating Violence and Stalking Program (formerly known as the Arrest Program) to support coordinated, effective police, prosecution, and judicial responses to these crimes; \$8 million to increase the availability of evidence-based legal services for victims; and \$6 million for OVW's Campus Program to continue and expand the work being done to address sexual assault on college campuses. The FY 2017 request for OJP totals \$4.2 billion, including \$1.6 billion for discretionary grant programs and \$2.6 billion for mandatory grant programs. It includes \$326 million in discretionary enhancements, including increased funding for an indigent defense initiative, Second Chance Prisoner Reentry, Justice Reinvestment, and juvenile justice

programs, new funding to support the Violence Reduction Network, and the CVE initiative and research on domestic radicalization.

Providing Public Safety in Indian Country

The United States has a unique legal and political relationship with American Indian tribes and Alaskan Native communities, as provided by the Constitution, treaties, court decisions, and federal statutes. The Department of Justice, in particular, has an important legal and moral responsibility to prosecute violent crime in Indian Country. Federal investigation and prosecution of such matters is often the primary avenue of protection for the victims of these crimes.

The President's FY 2017 Budget requests \$418 million in total resources for public safety initiatives in Indian Country. Investments support activities across many DOJ components that address a range of criminal and civil justice issues facing Native American communities. A highlight is the COPS Tribal Resources Grant Program, which facilitates tribal access to critical information sharing systems. The increase will support the Department's Tribal Access Program for National Crime Information. Launched in August 2015, the program enables tribes to more effectively serve and protect their members by ensuring the exchange of critical data across systems, such as those managed by the FBI's Criminal Justice Information Services (CJIS) Division. The request also includes a 7% set-aside from OJP's discretionary grant and reimbursement programs for flexible tribal justice assistance grants. In addition, the Department requests resources to strengthen the enforcement of environmental laws on tribal lands, to support consultation with tribes and coordination of tribal policies through OTJ, and to help tribes hold non-Indian offenders accountable for domestic and dating violence committed in Indian country.

Conclusion

Chairman Culberson, Ranking Member Honda, and Members of the Subcommittee, it is my pleasure to highlight recent DOJ successes as well as identified efficiencies that help strengthen the Department's ability to ensure fairness, equality, and justice for all Americans. I thank you for your past support of the Department's financial needs, and for the opportunity to present our FY 2017 Budget request. Progress within our nation has always been driven by our desire to live up to our ideals of inclusiveness and opportunity, of equal rights and equal justice. I look forward to working with you through the upcoming fiscal year to ensure that the Department of Justice remains on solid financial footing and can accomplish its multiple and varied missions effectively.