

Deferral of Department of Justice Equitable Sharing Payments:
Fact Sheet

Why are payments being deferred?

- The Bipartisan Budget Act of 2015 (P.L. 114-74) enacted in November included a \$746 million permanent reduction of Asset Forfeiture Program Funds. This reduction, or “rescission,” means that \$746 million was removed from the Assets Forfeiture Program Funds to go to the General Treasury Fund. The Consolidated Appropriations Act of 2016, signed into law on December 18, 2015, included an additional \$458 million rescission in the FY 2016 budget.
- In the face of a now combined \$1.2 billion rescission, coupled with the expected receipts and expenditures for the year, in order to maintain the financial solvency of the Asset Forfeiture Program and operate within legal guidelines for Federal financial management the Department had no choice but to immediately defer the disbursement of equitable sharing payments to our state, local, and tribal partners and the transfer of any items for official use.
- The Department is very eager to resume payments as soon as it is fiscally feasible to do so. By deferring equitable sharing payments, the Department preserves the ability to resume equitable sharing payments once the budget picture improves. In the meantime, the Department will continue to review any and all potential avenues for restoring equitable sharing payments.
- Typically, a variety of cases resolve throughout the year, and based on our assessment of the current pace of adjudicated forfeitures, we believe this step is only a “pause.” Thus, all DAG-71 forms submitted through the eShare portal for ongoing cases will continue to be reviewed and processed pursuant to current Department policy. When the budget situation improves, those shares will be paid in full or in part.

Did the Department of Justice “shut down” the Equitable Sharing Program?

- Contrary to some reports, the Department did not “shut down” or otherwise terminate the Equitable Sharing Program. Rather, the Department was required to temporarily defer equitable sharing payments to our state, local, and tribal law enforcement partners due to the combined effects of the \$1.2 billion rescission and our obligations to maintain the financial solvency of the Asset Forfeiture Program and operate within legal guidelines for Federal financial management. This deferral decision was made purely for budgetary reasons, and does not alter the Department’s commitment to supporting state, local, and tribal law enforcement.

- The burden of this rescission is not falling solely on equitable sharing recipients. The deferral of equitable sharing payments represents only one quarter of the budgetary shortfall caused by the \$1.2 billion rescission.

When will payments resume?

- At this time, the Department cannot say with any certainty when the deferral of sharing payments will be lifted. However, the Department continues to explore all budgetary options available to restore equitable sharing as soon as possible.
- Despite the deferral, some agencies may continue to receive payments in the coming weeks as the remainder of payments processed by the U.S. Marshals Service prior to December 21, 2015, are disbursed. Otherwise, no further equitable sharing payments will be issued until this deferral is lifted.
- Funds already disbursed to state, local, and tribal agencies may continue to be expended and reported in accordance with the policies outlined in the *Guide to Equitable Sharing*.
- The bottom line is that the Department views this as a “pause” whereby we are holding payments in place until the funding situation improves. We hope that when funding allows, we will resume payments where they left off either in full, or as close to full as the budgetary situation allows.

What is the Department doing to support law enforcement?

The Department will continue to support state and local law enforcement through other funding mechanisms provided in the FY 2016 budget:

- **Joint Law Enforcement Operations (JLEO)** – The Department will provide \$155 million, equal to the FY 2015 level, to support JLEO in FY 2016 through the Assets Forfeiture Fund. JLEO is the Department’s primary mechanism for funding State and local Task Force Officer overtime. JLEO also pays for travel, fuel, training, equipment, and other similar costs of state or local law enforcement officers that are incurred in a joint operation.
- **Community Oriented Policing Services (COPS)** – The FY 2016 budget provides \$212 million for COPS, an increase of \$4 million over FY 2015. The COPS Hiring Program (\$187 million), Collaborative Reform initiative (\$10 million) and Community Policing Development program (\$10 million) all received increases over FY 2015. Funding is provided for the Anti-Methamphetamine and Anti-Heroin Task Forces programs at the FY 2015 level.

- **COPS-DEA Clandestine Laboratory Cleanup** – DEA’s Clandestine Drug Laboratory Cleanup Program received a \$4 million increase for a total of \$11 million in FY 2016. This Program allows DEA to assist state and local law enforcement with hazardous waste cleanups when they encounter small clandestine laboratories.

Grants

- **Office of Justice Programs** – The appropriation provides \$1.8 billion in discretionary funding for OJP, an increase of \$191 million over the FY 2015 Enacted level. Highlights include the following:
 - The law supports \$70 million of the Administration’s Community Trust Initiative to improve police-community relations, of which \$23 million is for the Body Worn Camera Partnership Program, \$5 million is for Research and Statistics on Community Trust (including body worn cameras), \$27.5 million is for the Justice Reinvestment Initiative, and \$15 million is for the Byrne Criminal Justice Innovation Program.
 - The appropriation provides \$476 million for the Byrne Justice Assistance Grants (JAG) Program, of which \$15 million is for the VALOR Program, \$5 million is for the Smart Policing Initiative, and \$100 million is for Presidential Nominating Conventions Security.
 - The Bulletproof Vest Partnership Program, which provides partial reimbursement for the cost of purchasing body armor for law enforcement and public safety officers, is funded at \$22.5 million.
 - The appropriation also provides an increase of \$25 million for the State Criminal Alien Assistance Program, which provides reimbursement for the cost of incarcerating illegal aliens.
 - The law funds increases to Residential Substance Abuse Treatment, Mental Health Collaborations, Veterans Treatment Courts, Victims of Trafficking, and the Prescription Drug Monitoring Programs.
- The Department remains committed to the Equitable Sharing Program and to the state, local and tribal partners that are integral to its success. We will take all appropriate and necessary measures to minimize the impact of the rescission and reinstate sharing distributions as soon as practical and financially feasible. If you have any questions or concerns, please direct them to afmls.communication@usdoj.gov.