



CRS Report for Congress

FY2008 Appropriations for State and Local Homeland Security

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Summary

Congress appropriated \$4,228 million for FY2008 Department of Homeland Security assistance programs for states and localities, which is \$841 million more than the FY2007 appropriation of \$3,387 million. The Administration had requested an appropriation of \$2,196 million, which was \$1,191 million less than the FY2007 appropriated amount. The House-passed appropriation of \$4,306 million for state and local programs was \$920 million more than the FY2007 appropriated amount. The Senate committee reported Senate-passed appropriation of \$4,136 million for state and local programs was \$749 million more than the FY2007 appropriation. This report will not be updated.

This report is an overview of the FY2008 appropriation for the Department of Homeland Security (DHS) assistance programs for states and localities. DHS's assistance or activities are designed to provide assistance to state and local first responders — firefighters, emergency medical personnel, emergency managers, and law enforcement officers.

The Office of Grant Programs within the Federal Emergency Management Agency (FEMA) is responsible for facilitating and coordinating DHS state and local assistance programs. The office administers formula and discretionary grant programs to further state and local homeland security capabilities. As a result of the reorganization mandated by the Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295), the work of the Office of Grant Programs has been separated from FEMA training activities. FEMA's National Integration Center within the agency's National Preparedness Directorate administers training, exercises, and technical assistance for states and localities. DHS's assistance programs for states and localities include:

- State Homeland Security Grant Program (SHSGP);
- Law Enforcement Terrorist Prevention Program (LETPP);
- Urban Area Security Initiative (UASI);
- Port Security Program;
- Transit Security Program;

- Intercity Bus Security Program;
- Trucking Security Program;
- Buffer Zone Protection;
- Assistance to Firefighters (FIRE);
- Emergency Management Performance Grants (EMPG);
- Citizen Corps Program (CCP);
- Metropolitan Medical Response System (MMRS);
- Training, technical assistance, exercises, and evaluation;
- Commercial Equipment Direct Assistance Grants;
- Interoperable Communications Grants;
- Real ID Grants;
- Emergency Operations Center; and
- Regional Catastrophic Preparedness Grants.

The programs, which are intended to help state and local recipients enhance their preparedness for terrorist attacks and catastrophic events, are administered by the Department of Homeland Security (DHS).¹

President's Request. The President's FY2008 request of \$2,196 million for state and local programs; \$1,191 million less than the FY2007 appropriated amount of \$3,387 million. The Administration did not request funding for LETTP; instead it requested that \$63 million of the \$250 million sought for SHSGP and \$200 million of the \$800 million for UASI be used for law enforcement terrorism prevention activities.² If funded as proposed, this could have resulted in fewer funds for the states — \$188 million in FY2008 (versus \$525 million in FY2007) for SHSGP activities, and \$600 million (versus \$770 million in FY2007) for high-threat urban areas seeking to fund UASI activities.

House-passed H.R. 2638. The House-passed appropriation of \$4,306 million for state and local programs was \$920 million more than the FY2007 appropriated amount of \$3,387 million. The House would have provided funding for LETTP (\$400 million) even though the Administration had requested no line item funding for the program. Additionally, contrary to the Administration's request, the House proposed funding for MMRS (\$50 million), Commercial Equipment Direct Assistance Grants (\$20 million), Interoperable Communications Grants (\$50 million), and Real ID Grants (\$50 million).

Senate-passed H.R. 2638. The Senate approved an appropriation of \$4,136 million for state and local programs, \$749 million more than the FY2007 appropriation of \$3,387 million. Like the House, the Senate would have funded LETTP (\$375 million), and would have also funded MMRS (\$33 million), Commercial Equipment Direct Assistance Grants (\$20 million), Interoperable Communications Grants (\$50 million), and Real ID Grants (\$50 million).

¹ Programs not covered include general assistance programs that are authorized for a broad range of public safety activities, such as Justice Assistance Grants and Community Oriented Policing Services. Nor does this report track appropriations for bioterrorism preparedness and National Guard funding.

² U.S. Office of Management and Budget, *Fiscal Year 2008 Budget of the United States Government* (Washington: GPO, 2007), Appendix, p. 480.

Division E of P.L. 110-161. Congress appropriated \$4,228 million for state and local programs, \$749 million more than the FY2007 appropriation of \$3,387 million. There is no separate line item for LETTP, however, in accordance with the Implementing Recommendations of the 9-11 Commission Act (P.L. 110-53) grant recipients are to obligate no less than 25% of their SHSGP and UASI allocations on law enforcement terrorism prevention activities. Additionally, Congress appropriated \$15 million for Emergency Operations Centers (EOC), even though neither the House nor the Senate had proposed funding for EOCs.³ Additionally, Congress appropriated \$110 million in emergency funding. \$60 million of emergency funding — included in the \$950 million for SHSGP — is for Operation Stonegarden. Operation Stonegarden assists state and local law enforcement border security operations in four Southwestern states.⁴ The remaining \$50 million of emergency funding is for the Real ID program.

Table 1 compares the FY2007 appropriations, Administration's FY2008 budget request, House- and Senate-passed H.R. 2638, and P.L. 110-161.

**Table 1. State and Local Homeland Security Assistance Programs:
FY2007 and FY2008 Appropriations**
(amounts in millions)

Program	FY2007 Enacted	FY2008 Request	FY2008 House Passed	FY2008 Senate Passed	FY2008 Enacted	FY2008 Emerg. P.L. 110-161
State Homeland Security Grant Program (SHSGP)	\$525	\$250 ^a	\$550	\$525	\$950	\$60
Urban Area Security Initiative (UASI)	\$770	\$800 ^b	\$850	\$820	\$820 ^c	—
Law Enforcement Terrorism Prevention Program (LETPP)	\$375	—	\$400	\$375	—	—
Port Security Program	\$210	\$210	\$400	\$400	\$400	—
Transit Security Program	\$175	\$175	\$400	\$400	\$400	—
Intercity Bus Security Program	\$12	\$12	\$11	\$12	\$12	—
Trucking Industry Security Program	\$12	\$9	\$10	\$16	\$16	—
Emergency Operation Centers	—	—	—	—	\$15	—
Buffer Zone Protection	\$50	\$50	\$100	\$50	\$50	—

³ P.L. 110-161, Div. E, Title III.

⁴ U.S. Department of Homeland Security, Office of the Press Secretary, "DHS Expands Operation Stonegarden to Bolster Border Security Efforts," available at [<http://test.rwb.gov.edgesuite.net/dhspublic/display?content=5332>], visited Jan. 24, 2008.

Program	FY2007 Enacted	FY2008 Request	FY2008 House Passed	FY2008 Senate Passed	FY2008 Enacted	FY2008 Emerg. P.L. 110-161
Assistance to Firefighters (FIRE)	\$662	\$300	\$805	\$705	\$750	—
Emergency Management Performance Grants (EMPG)	\$200	\$200	\$300	\$300	\$300	—
Citizen Corps Programs (CCP)	\$15	\$15	\$17	\$15	\$15	—
Metropolitan Medical Response System (MMRS)	\$33	—	\$50	\$33	\$41	—
Training, Technical Assistance, Exercises, and Evaluation	\$298	\$175	\$293	\$295	\$299 ^d	—
Commercial Equipment Direct Assistance Grants	\$50	—	\$20	\$40	\$25	—
Interoperable Communications Grants	—	—	\$50	\$100	\$50	—
Real ID Grants	—	—	\$50	—	\$50	\$50
Regional Catastrophic Preparedness Grants	—	—	—	\$50	\$35	—
Total	\$3,387	\$2,196	\$4,306	\$4,136	\$4,228	\$110

- a. Of the \$250 million requested for SHSGP, \$63 million would have been allocated for law enforcement terrorism prevention activities.
- b. Of the \$800 million requested for UASI, \$200 million would have been allocated for law enforcement terrorism prevention activities.
- c. Of the \$820 million appropriated for UASI, \$15 million is for non-profit organizations' security.
- d. Of this \$299 million: \$88 million is for the National Domestic Preparedness Consortium; \$63 million is for the Center for Domestic Preparedness; \$50 million is for the National Exercise Program; \$12 million is for technical assistance; \$28 is for Demonstration Training Grants; \$31 million is for Continuing Training Grants; \$19 million is for evaluations and assessments; and \$9 million is for the Rural Domestic Preparedness Consortium.

Issues for Congress. Two issues appear to have dominated congressional debate on the FY2008 request for homeland security grant funds — the method by which funds are allocated among the states and the proposed reduction in Assistance to Firefighters Grant Program (FIRE) appropriations. These issues are discussed below.

Distribution Methods for State and Local Programs. For years, since publication of the final report of the National Commission on Terrorist Attacks Upon the United States (often referred to as the 9/11 Commission), Members of Congress have debated the formula or process to be used in distributing federal homeland security grant funds. The 9/11 Commission recommended that funds should be distributed based on threat and risk assessments. While debate has ensued on this recommendation, certain

program funds have been distributed pursuant to the formula set out in Section 1014 of the USA Patriot Act (P.L. 107-56). This statute guaranteed each state a minimum of 0.75% of total appropriations for domestic preparedness programs.

The Administration requested that FY2008 funds for only the Emergency Management Performance Grants (EMPG) and Citizen Corps Programs (CCP) be distributed pursuant to the Section 1014 formula. Additionally, the Administration proposed that SHSGP be a discretionary program, but guaranteed each state a minimum of 0.25% of total appropriations. Certain Members of Congress did not agree with this proposal. Neither the House-passed nor Senate-passed versions of H.R. 2638 included provisions to alter the funding distribution method because the issue was included in debate on other legislation, H.R. 1 and S. 4. With enactment of this legislation (P.L. 110-53, Implementing the 9/11 Commission Recommendations Act of 2007), FY2008 funding allocations will be based upon a different formula. The minimum allocation for each state for SHSGP grants will be 0.375% of total SHSGP and UASI appropriations in FY2008, with the floor eventually reduced to 0.35% of the total SHSGP and UASI appropriations in FY2012.⁵ While some may contend that this agreement resolves the debate that has been the focus of congressional attention for years, others might argue that SHSGP would not be a discretionary program if there is a guaranteed minimum amount for states each fiscal year.

Reduction in Funding for the Assistance to Firefighters Program.

Administration budget proposals have typically recommended significant cuts for fire grants, as well as zero funding for SAFER grants. Opponents of the cuts have argued that the reduced levels are inadequate to meet the needs of fire departments, while the Administration has argued that reduced levels are sufficient to enhance critical capabilities in the event of a terrorist attack or major disaster. For FY2008, the Administration proposed \$300 million for fire grants in FY2008, a 45% cut from the FY2007 level. No funding was proposed for SAFER grants. The total request for Assistance to Firefighters Grants (AFG) was 55% below the FY2007 level for fire and SAFER grants combined. The FY2008 budget proposal eliminated grants for wellness/fitness activities and modifications to facilities for firefighter safety. The budget justification requested funding for “applications that enhance the most critical capabilities of local response to fire-related hazards in the event of a terrorist attack or major disaster.” The budget justification also stated that the requested level of funding is “an appropriate level of funding given the availability of significant amounts of funding for first responder preparedness missions from other DHS grant programs which are better coordinated with state and local homeland security strategies and, unlike AFG, are allocated on the basis of risk.”

On June 5, 2007, the House Appropriations Committee recommended an appropriation of \$570 million for fire grants and \$230 million for the Staffing for Adequate Fire and Emergency Response Firefighters (SAFER) program. The Committee directed FEMA to: continue providing funds directly to local fire departments; include the U.S. Fire Administration during the grant administration process; maintain an all-hazards focus; and, not limit the list of eligible activities. The Committee also expressed concern that large numbers of fire grant applications never reach the peer

⁵ P.L. 110-53, Title I, Sec. 101, “Sec. 2004,(e)(1)(A).”

review stage. The Committee report directed the Government Accountability Office (GAO) to review the application and award process for fire and SAFER grants, and directed FEMA to peer review all grant applications that meet basic eligibility requirements. On June 15, 2007, the House passed H.R. 2638, including an amendment adding \$5 million to the SAFER account. Thus, the final House-passed bill provided \$570 million for fire grants and \$235 million for SAFER.

On June 14, 2007, the Senate Appropriations Committee approved its version of the FY2008 appropriations bill for the Department of Homeland Security. As reported, the bill would provide \$560 million for fire grants and \$140 million for SAFER. The Senate Committee directed DHS to continue the present practice of funding applications according to local priorities, as well as those established by the United States Fire Administration. The Committee further directed DHS to continue to direct funding to fire departments and to the peer review process. Additionally, the Committee directed that \$3 million be available for foam firefighter equipment in remote areas. On July 26, 2007, the Senate-passed version of H.R. 2638 included an amendment adding \$5 million to the SAFER account. Thus, the final Senate-passed bill provided \$560 million for fire grants and \$145 million for SAFER.

Division E of P.L. 110-161 provided \$560 million for fire grants and \$190 million for SAFER grants, a total of \$750 million for firefighter assistance in FY2008. As stated in the Joint Explanatory Statement accompanying P.L. 110-161, \$3 million was made available for foam firefighter equipment used in remote areas, to be competitively awarded. GAO was directed to review the application and award process for fire and SAFER grants, and FEMA was directed to peer review all grant applications that meet criteria established by FEMA and the fire service.