



# Nonprofit Security Grant Program: Summary and Potential Issues for Congress

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## Introduction

On November 30, 2022, the Department of Homeland Security (DHS) issued a [National Terrorism Advisory System](#) bulletin warning of domestic and international terrorism threats. Specifically, the bulletin identified

Domestic actors and foreign terrorist organizations continue to maintain a visible presence online in attempts to motivate supporters to conduct attacks in the Homeland. In the coming months, threat actors could exploit several upcoming events to justify or commit acts of violence, including certifications related to the midterm elections, the holiday season and associated large gatherings, the marking of two years since the breach of the U.S. Capitol on January 6, 2021, and potential sociopolitical developments connected to ideological beliefs or personal hostility. Targets of potential violence include public gatherings, faith-based institutions, the LGBTQI+ community, schools, racial and religious minorities, government facilities and personnel, U.S. critical infrastructure, the media, and perceived ideological opponents.

This comes at a time of increased congressional interest in the security of religious and other nonprofit institutions following recent terrorist attacks, such as the mass shooting in Los Angeles, CA. This is part of a continued policy debate on homeland security and preparedness for terrorism.

## NSGP Funding

Since 1996, Congress has provided grant funding to states and localities for domestic preparedness and security. These grants primarily focus on countering terrorist attacks. Congress established the first preparedness grant program—the [Nunn-Lugar-Domenici Preparedness Program](#) (NLDPP)—in [Title XIV of the National Defense Authorization Act for 1996](#). The NLDPP provided funding to major U.S. cities to prepare for and respond to weapons of mass destruction attacks.

DHS currently [administers eight preparedness grant programs](#) that assist states and localities in preparing for and responding to terrorist attacks specifically, as well as preparing the nation for homeland security incidents and crises. One of the eight preparedness grant programs that DHS administers is the [Nonprofit](#)

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**Security Grant Program (NSGP).** The NSGP provides funding to nonprofit organizations that are at a high risk of terrorist attack to support preparedness activities such as target hardening and other physical security enhancements.

In 2020, Congress established the NSGP with the enactment of P.L. 116-108. However, congressional appropriators first provided funding to NSGP in **FY2009** (\$15 million). It was funded again in **FY2010** (\$19 million), **FY2013** (\$10 million), and **FY2016** (\$20 million). Congress has since **appropriated funding** for NSGP annually:

- FY2017—\$25 million;
- FY2018—\$60 million;
- FY2019—\$60 million;
- FY2020—\$90 million;
- FY2021—\$180 million;
- FY2022—\$250 million.

Congress **funds the NSGP** through DHS’s **Homeland Security Grant Program (HSGP)**, specifically through two HSGP subgrants: the State Homeland Security Grant Program (SHSGP) and the Urban Area Security Initiative (UASI). NSGP funding, through SHSGP, is allocated to nonprofit organizations within the state but not in high-risk and high-threat **UASI cities**. NSGP funding, through UASI, is allocated to nonprofit organizations only within high-risk and high-threat UASI cities.

## NSGP Applications

Individual nonprofit organizations do not apply directly for grant funding. State and territorial governments are responsible for prioritizing their homeland security needs and capabilities, identifying at-risk targets, and addressing those through annual HSGP applications. **State Administrative Agencies (SAA)** in each state are the only entities eligible to apply for and submit applications for the HSGP and its component programs, including the NSGP. Typically, state and territorial governments solicit applications from nonprofit organizations and determine which ones to include in their annual HSGP applications to DHS.

## Authorized Uses of NSGP Funding

NSGP-eligible nonprofits are organizations that are described in **section 501(c)(3) of title 26 of the U.S. Code** and exempt from tax under section 501(a) of such title; and determined to be at risk of a terrorist attack by DHS with input from each SAA. **6 U.S.C. §609a** states NSGP recipients may use funding for any of the following purposes:

- “target hardening activities, including physical security enhancement equipment and inspection and screening systems”;
- “fees for security training relating to physical security and cybersecurity, target hardening, terrorism awareness, and employee awareness”; and
- “any other appropriate activity, including cybersecurity resilience activities, as determined by the [DHS] Administrator.”

## Potential NSGP Issues

Potential NSGP policy issues and challenges include the transparency of NSGP awards, state and UASI city prioritization of NSGP applications, NSGP award effectiveness.

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## Transparency

Currently, there is no publicly available information on which nonprofit organizations are awarded NSGP funding. DHS stated that it does not announce specific NSGP awards due to the sensitivity and classification of that information. SAAs respond similarly when queried about NSGP. The only detailed information provided to the public about the NSGP is the [notice of funding opportunity](#) (NOFO). These annual NOFOs provide the maximum amounts nonprofit organizations are eligible to apply for (through the SAA) within each state and UASI city. Once the annual grant award cycle begins, Congress and other policy stakeholders are unable to determine which nonprofits are receiving NSGP funding. It is difficult for Congress to determine if NSGP awards are being made equitably if Congress is unable to know which nonprofits receive grant funding.

## Prioritization

Another issue associated with absence of public NSGP information is the way SAAs determine and prioritize NSGP applications from nonprofit institutions. As stated above, DHS does not determine which nonprofits receive grant funding. Instead, individual state and territorial SAAs, with their own priorities and internal risk assessment processes, decide which NSGP applications are prioritized before others. As with the issue of transparency, it is difficult to address the issue of the potential inequitable prioritization of NSGP awards within a state if there is no federal oversight of each state's NSGP application process.

## Measuring NSGP Effectiveness

The lack of publicly available information also may hinder Congress's timely ability to conduct NSGP oversight and confirm the effectiveness of NSGP awards. Currently, DHS is the only federal entity with knowledge of approved NSGP projects and the only federal entity positioned to evaluate their effectiveness. Generally, DHS is tasked with administering and auditing all preparedness grant expenditures and has, upon request, provided information to Congress. The effectiveness of DHS preparedness grants has been an ongoing issue since their establishment, and is applicable to NSGP.

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