

Shelter and Services Program (SSP) FY2023 Funding

Updated August 30, 2023

On June 12, 2023, the Department of Homeland Security (DHS)/Federal Emergency Management Agency (FEMA) published the first [notice of funding opportunity](#) (NOFO) for the new [Shelter and Services Program](#) (SSP). The SSP is a grant program that funds reimbursement or advanced payments to nonfederal entities that provide shelter and other eligible services to migrants encountered by and released from DHS custody, as well as funding to increase their temporary shelter capacity.

The [SSP is replacing the Emergency Food and Shelter Program-Humanitarian](#) (EFSP-H), which supplemented the humanitarian relief efforts of local government and nonprofit organizations providing food, shelter, and supportive services to migrants encountered by DHS at the southern border. However, the SSP is being implemented somewhat differently, as described below.

Authority and Background

The Department of Homeland Security Appropriations Act, 2023 (P.L. 117-328, Div. F, Title II) directed U.S. Customs and Border Protection (CBP) to transfer \$800 million of its FY2023 appropriation to FEMA for the SSP. The funding is

to support sheltering and related activities provided by non-Federal entities, including facility improvements and construction, in support of relieving overcrowding in short-term holding facilities of U.S. Customs and Border Protection....

Congress authorized FEMA to use a portion of the \$800 million—specifically, up to \$785 million—to implement the EFSP-H in FY2023 while the SSP was established. FEMA awarded \$425 million for the EFSP-H. DHS stated that the remaining [funding, totaling approximately \\$360 million, would be awarded through the SSP](#). On [June 12, 2023](#), DHS/FEMA published the NOFO for the first tranche of SSP funding. Subsequently, on [August 21, 2023](#), DHS/FEMA amended the original [NOFO](#), updating it for the second tranche of SSP funding.

For more information on the EFSP-H and transition to the SSP, see CRS Insight IN12132, *FEMA's Emergency Food and Shelter Program-Humanitarian Relief (EFSP-H) and the New Shelter and Services Program (SSP)*.

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Funding, Eligibility, and the Application Deadline

In FY2023, a total of [\\$363.8 million is being made available for the SSP](#) in two tranches. The first tranche of SSP funding made \$291 million available to eligible applicants. The second tranche of SSP funding made \$77.3 million available to eligible applicants, including \$10 million held in reserve for allocation prior to the end of September 2023.

Unlike the EFSP-H, which was a [competitive](#) grant program, DHS/FEMA's SSP [NOFO](#) allocated funding to eligible applicants based on CBP release and destination data and EFSP-H request data. FEMA, in coordination with CBP, will administer the grants.

The [NOFO](#) lists the [eligible applicants](#) and makes specific funding allocations. These specifically identified government and nonprofit organizations as the *only* entities that are eligible to apply for SSP funding. That said, eligible subapplicants with the capacity to perform the SSP allowable activities may receive subawards from the eligible applicants. Subapplicants can include:

- local governments;
- Indian tribes;
- nonprofit organizations; and
- state governments (i.e., for this purpose, the 50 states, District of Columbia, the Commonwealth of Puerto Rico, and any agency of instrumentality thereof).

The application submission deadline for the second tranche of SSP funding is September 11, 2023 (eligible applicants from the first tranche must amend their application to incorporate funding from the second tranche). According to the [NOFO](#), if an eligible applicant does not apply for its full allocation or is not issued an award, that amount will be rolled into the reserve and reallocated. The \$10 million currently in reserve will be available to eligible applicants from either SSP tranche “to account for rapidly changing trends and operational considerations.”

Eligible Costs

Per the SSP [NOFO](#) and [FAQ](#), eligible costs include the following services, which can only be provided for “noncitizen migrants within 45 days of their release from DHS,” [incurred between March 1, 2023, and September 30, 2025](#):

- **Primary Services**—including shelter, food, transportation, acute medical care, personal hygiene supplies, and labor for primary services (second tranche applicants must include at least one primary service in their application);
- **Secondary Services**—including renovations/modifications and repairs to existing facilities (not to exceed \$250,000; note that SSP funding cannot be used for costs associated with new construction or the purchase of real estate), clothing, outreach information, translation services, and labor for secondary services; and
- **Management and Administration**—including staff time to provide services directly or in support of migrants, application preparation, grants management, and managing SSP funds (up to 5% of the award).

Other eligible costs may include pre-award costs (requires prior written approval of DHS/FEMA), and indirect costs (described in [2 C.F.R. Part 200](#)).

While SSP's eligible costs generally align with the EFSP-H's eligible costs, there are some notable differences including related to how costs are categorized and the level of support that may be provided.

Both the SSP and EFSP-H prioritize Primary Services; however, the SSP considers more forms of assistance to be Primary Services (see the above-listed categories). The EFSP-H, however, grouped them according to five service categories, and limited Primary Services to food and shelter services. Additionally, the SSP may provide support in excess of what was available through the ESFP-H. For example, the SSP provides 45 days of hotel/motel services, but the EFSP-H limited hotel/motel services to 5 days, or 30 days if the individual/family had no sponsor. Also, the SSP permits additional medical care, such as durable medical equipment and prescription medication.

The amended NOFO for the second tranche of SSP funding increased the caps on hotel/motel and airfare—related to onward destination transportation—to 10% of the total funding requested (up from 5%), and allows both first and second tranche applicants to apply for a waiver of the caps based on operational need.

The SSP NOFO further describes program requirements, including related to eligible work, and compliance (e.g., grant reporting). It also details monitoring and oversight requirements.

Resources

For additional SSP information:

- DHS/FEMA [FY2023 SSP NOFO](#)
- FEMA’s “[Shelter and Services Program](#)” web page

For additional EFSP-H information:

- FEMA’s “[Emergency Food and Shelter Program](#)” web page
- [Emergency Food and Shelter National Board Program website](#) (“Humanitarian Funding Info” tab)
- CRS In Focus IF12026, *FEMA’s Emergency Food and Shelter Program (EFSP)*

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