

# WebMemo



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## Homeland Security Grants Should Not Become Another Federal Entitlement Program

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The Democratic staff of the House Homeland Security Committee issued a report on Friday that criticizes the House Republicans' plan to reduce Department of Homeland Security (DHS) spending to the fiscal year (FY) 2006 level in FY 2012. Entitled *Homeland Insecurity*, the report claims that a 20 percent (\$900 million) cut to the DHS grant spending budget would "reverse great strides" in state and local "preparedness and response capabilities" as well as the ability to "reduce the risks the Nation faces in times of man-made and natural disasters."

Since 9/11, funds directed to state and local governments through the DHS grant programs have done little to contribute to readiness and instead have served as another avenue for pork-barrel spending in Congress. If Congress is serious about fiscal responsibility and the ability of state and local governments to respond effectively to threats, it should reassess the current grant structure and spend federal dollars exclusively on projects that actually make America more prepared.

With nearly \$40 billion already sent to states and localities for preparedness and response capabilities, one should ask: How much is enough, and how much more money must go out before states and localities are either prepared or able to bear their own costs?

**Homeland Security Grants.** The core function of homeland security grants and the DHS in general is to integrate capabilities into a national system that is grounded in principles of federalism and capable of preventing, responding to, and recovering from

attacks on the homeland. Funds distributed through the homeland security grant program are intended to support the objectives outlined in the National Preparedness Goal and related national preparedness doctrine.

While DHS has done yeoman's work in establishing national standards for readiness, its efforts to tie grant funding to the standards have been troubled at best. Since drafting the Target Capabilities List in 2005, DHS has not taken any measures to ensure that these plans are executed at the federal, state, and local levels, making it virtually impossible to ascertain which critical capabilities exist and which ones are still needed.

What DHS has lacked in grant program accountability, Congress has made up for in politics. Members have routinely used grant dollars directed at their own particular jurisdictions as a way to win votes. These politics, coupled with such lax oversight and performance standards by DHS, have inevitable repercussions. For example, a 2005 state audit of Colorado's homeland security system revealed that 13 percent of the state's \$15.8 million had been misspent on office space, a bus, and other items. In 2007, Governor Bill Ritter (D) ordered a system review, which found that the state's home-

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land security structure was inadequate. Responsibilities were so diffused that the system was considered unable to handle a serious terrorist incident in Colorado.

**Another Federal Entitlement Program?** While federal spending on homeland security has increased exponentially since 9/11, state spending on homeland security has remained almost flat as a percentage of total state appropriations. Studies suggest that this trend may indicate a more dangerous practice of federal grants supplanting state spending on homeland security.

American taxpayers deserve better. The last thing the United States needs is another entitlement program, particularly in homeland security. When state and local officials can rely on federal money to finance projects that are clearly local responsibilities, competing interests engender a horde of unnecessary, wasteful projects that would probably never be funded if the localities had been forced to bear the financial burden themselves. Specifically, Congress should:

- *Be fiscally responsible.* DHS and Congress cannot spend their way to security. Homeland security funding should have a specific purpose: reducing risk and preventing attacks and disasters. Rather than continue to spread federal funds using an “inch thick and a mile wide” mentality, Congress should target federal funds at the highest-risk states, cities, and counties where the funds could meaningfully increase the security of Americans.
- *Examine cooperative agreements.* The right approach to funding disaster preparedness will recognize the legitimate role that federal dollars can play in boosting capabilities at the state and local levels while allowing states and localities to be on a more level playing field with their federal counterparts. The need for such equality downplays the need for the grant structure and invites another approach, such as the use of cooperative agreements, where the federal government and the states can sit down as true and equal partners and negotiate outcomes at the beginning—including covering programmatic and financial

oversight requirements—and then direct funds to achieve those desired outcomes without the need for yearly applications.

- *Reduce the number of urban areas eligible for Urban Area Security Initiative (UASI) program funds.* Congress needs to reduce the number of urban areas eligible for the UASI program so that funds are not unnecessarily diluted by having too many mouths to feed. In FY 2006 there were 35 UASI grant jurisdictions fully eligible to receive these monies, which are meant to serve large urban areas where a terrorist attack would have catastrophic national consequences. DHS, however, has continued to increase the number of urban areas that are eligible for UASI funds, now totaling 63, which dilutes the pool of resources and under-sources America’s high-risk urban areas. There needs to be real dialogue about which jurisdictions actually need federal taxpayer dollars.

**Fiscal Recklessness.** It is unrealistic to expect homeland security grant levels to continue to increase as federal budget concerns mount. Furthermore, if previous funding has served its purpose, then some of the previously identified vulnerabilities no longer require funding. The nation cannot afford to waste scarce homeland security funds on unnecessary capabilities. It is incumbent upon policymakers to begin fixing this broken system.

The Democratic staff of the House Homeland Security Committee should spend less time trying to score political points and more time trying to identify possible homeland security spending cuts. After spending almost \$40 billion, maintaining the current structure is simply fiscal recklessness.

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