

DATE: June 19, 2003
TO: House Veterans Affairs and Homeland Security Committee
FROM: Kyle I. Jen and Sue Frey, Senior Analysts
RE: Homeland Security Funding—Update

Michigan has recently received several federal grant awards in areas with clear homeland security implications: first responders, emergency management planning, bioterrorism preparedness, and infrastructure protection. This memo provides an overview of such grant awards passing through the State Police and Community Health budgets, as well as federal grants made directly to local fire departments. This is an update of a memo distributed to all House members on April 25.

Information in this memo includes only funding programs initiated or enhanced subsequent to September 11, 2001. These funds supplement ongoing state and federal funds appropriated in the State Police and Community Health (DCH) budgets for continuing activities in the areas of emergency management, law enforcement, firefighting, public health, and hospital services. Additional federal funding related to homeland security activities may exist in other departmental budgets.

Grant awards identified in this memo total about \$133 million. Of this total, a minimum of approximately \$81 million has been or will be passed through to local units of government and other local entities. Previous grant awards under these programs included similar funding distributions to local governments and other local entities. The remaining funds will be expended for state-level administrative costs and initiatives, many of which involve coordination of local activities.

The most recent awards for homeland security initiatives became available through a federal supplemental appropriations bill signed by the President in April. A grant award of \$42.2 million will be awarded to Michigan from appropriations in that bill. Of that total, \$36.5 million is earmarked for first responder preparedness; at least 80 percent of that figure will be passed through to local units of government. The remaining \$5.6 million is targeted for critical infrastructure protection; at least 50 percent of that figure will be passed through to locals.

Additionally, the federal supplemental bill will result in a grant of \$12.3 million for the Detroit urban area. These funds will be expended for costs related to planning, equipment acquisition, training, exercises, management and administration, and operational activities conducted during the heightened state of alert during the Iraq conflict.

More information on these recent grant awards is presented below. Please feel free to call us (373-8080) if you have questions or need additional information (Community Health: Sue Frey; State Police/firefighter grants: Kyle Jen).

COMMUNITY HEALTH

Public Health Preparedness and Response for Bioterrorism

- *\$25.3 million for period of September 2003 to August 2004*
- Planned expenditures for state fiscal year (FY) 2002-03 total \$24.8 million
 - \$7.0 million for preparedness planning and readiness assessment
 - \$5.7 million for surveillance and epidemiology capacity
 - \$3.4 million for laboratory capacity—biologic agents
 - \$1.1 million for laboratory capacity—chemical agents
 - \$3.2 million for health alert network, communications, and information technology
 - \$1.5 million for risk communication and health information dissemination
 - \$2.9 million for education and training
- Funding supports state and local activities—including smallpox vaccination—as well as contractual consulting and services as needed
- No matching funds requirement
- Same funding award amount anticipated for subsequent grant period

Bioterrorism Hospital Preparedness.

- *\$16.1 million for period of September 2003 to August 2004*
- Planned expenditures for state FY 2002-03 total \$4.1 million
- Funds to be distributed to eight medical control authorities, established as bioterrorism planning regions, which will allocate funding to local hospitals and other health care entities
- No matching funds requirement
- Same funding award amount anticipated for subsequent grant period

Total federal bioterrorism funding to be distributed by DCH to local governments and other local entities in FY 2002-03 is approximately \$11.9 million.

STATE POLICE

First Responder Preparedness

- *\$9.0 million for period of October 2002 to September 2004*
 - \$8.4 million for equipment grants
 - \$397,000 for exercise grants
 - \$223,000 for planning and administration
- Equipment grant funding
 - At least 80 percent to be passed through to locals (\$6.7 million); remainder retained for state agency purchases and administration
 - Funding restricted for purchases of specific types of hazardous materials response equipment
 - Funding awarded to all 83 counties and 11 cities/townships that have completed needs assessments (funds may be subgranted to localities within counties based on response strategy/needs assessment)
 - Per state domestic preparedness strategy, funding amounts based on three factors: base amount, population, and needs assessment
- No matching funds requirement
- *\$15.9 million for period of May 2003 to April 2005*
 - \$11.2 million for equipment grants

- \$2.8 million for exercise grants
- \$1.1 million for planning and administration
- \$838,000 for training costs
- Equipment grant funding
 - At least 80 percent to be passed through to locals (\$9.1 million)
 - Similar distribution formula/eligibility as for previous award
- No matching funds requirement
- *\$36.5 million for period of June 2003 to May 2005 (tentative)*
 - At least 80 percent to be passed through to locals (\$29.2 million)
 - Funds to be expended for equipment purchases, exercise costs, training costs, and planning/administration (allocations and distribution formula not yet determined)
 - No matching funds requirement

Critical Infrastructure Protection

- *\$5.6 million for period of June 2003 to May 2005 (tentative)*
- At least 50 percent to be passed through to locals (\$2.8 million)
- Funding to augment security at critical infrastructure; specific allowable uses:
 - Public safety agency overtime costs
 - Contract security personnel costs
 - State-ordered National Guard deployments
- Costs must have been incurred between March 17 and April 16, 2003 (Iraq conflict); remaining funds to be retained for future states of heightened alert (no state-ordered National Guard deployments in Michigan for Iraq conflict)
- Eligible facilities: public utilities, nuclear power plants, major bridges, etc.
- No matching funds requirement

Weapons of Mass Destruction Planning

- *\$4.1 million for calendar year 2003*
 - \$3.4 million to revise response plans
 - \$480,000 for community emergency response teams
 - \$112,000 for Citizens Corps (Department of Career Development)
 - \$50,000 for survey of state and local emergency operations centers
- Planning funds
 - 75 percent must be passed through to locals; remainder retained by state (\$2.6 million)
 - Funding awarded to all 83 counties and 28 cities/townships with recognized emergency management programs
 - Funding distributed based on two factors: base amount and population
- No matching funds requirement

Urban Areas Security Initiative

- *\$12.3 million for period of July 2003 to July 2005 (tentative)*
- Funds to pass through state budget; at least 80 percent must be passed through to locals (\$9.8 million); remainder retained for state assets that will provide assistance to Detroit urban area
- Eligible local units are City of Detroit, Wayne County, and any other contiguous jurisdictions designated by city, county, or state
- 25 percent of award (\$3.1 million; subject to 80 percent pass-through requirement) designated for conducting needs assessment and completing homeland security strategy; receipt of remaining 75 percent contingent on validated assessment and strategy

- Other allowable uses:
 - Equipment acquisition
 - Training
 - Exercises
 - Management and administration
 - Operational activities conducted during the heightened alert levels that occurred from February through May 2003
- No matching funds requirement
- Grant awarded under second round of grant program; Detroit not one of the seven urban areas awarded grants in first round

DIRECT TO LOCALS

Firefighter Grants

- *Through January 27, \$8.9 million awarded directly to local fire departments (federal FY 2002 awards)*
- Grants awarded to 176 local departments in Michigan in four grant categories
 - Fire operations and fire safety
 - Fire prevention
 - Firefighting vehicle
 - Emergency medical services
- 10 or 30 percent local match required based on population threshold of 50,000
- *First round of awards for federal FY 2003 grant process recently announced: total of \$229,270 awarded to four Michigan localities*
- Remaining grant awards to be announced on weekly basis through September 2004
- Same basic guidelines/requirements as for FY 2002 awards

SUMMARY

Homeland Security Grant Awards

Millions of Dollars

<u>Award</u>	<u>Total</u>	<u>Minimum to Locals</u>	
		<u>Amount</u>	<u>Percent</u>
Bioterrorism Preparedness (total)*	\$40.9	\$11.9	29.1
First Responder Preparedness I	9.0	6.7	74.4
First Responder Preparedness II	15.9	9.1	57.2
First Responder Preparedness III	36.5	29.2	80.0
Critical Infrastructure Preparedness	5.6	2.8	50.0
WMD Planning	4.1	2.6	63.4
Urban Areas Security	12.3	9.8	80.0
Firefighter Grants (direct to locals)	<u>9.1</u>	<u>9.1</u>	<u>100.0</u>
TOTAL	\$133.4	\$81.2	60.9

*Local amount reflects only planned spending for FY 2002-03; additional funds will be distributed to locals in FY 2003-04.