



**Statement of James Davis, Executive Director,
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Vice Chair, Governors Homeland Security Advisors Council**

On Behalf of

The National Governors Association

Before the

**Homeland Security Subcommittee on
Emergency Preparedness, Response and Communications**

U.S. House of Representatives

**“Ensuring the Efficiency, Effectiveness, and Transparency of
Homeland Security Grants (Part II): Stakeholder Perspectives”**

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National Governors Association**

Chairman Bilirakis, Ranking Member Richardson, distinguished members of the Subcommittee, thank you for the opportunity to testify before you today on the important issue of ensuring that homeland security grants are used effectively.

As Executive Director of the Department of Public Safety for the State of Colorado, I oversee the Colorado Bureau of Investigation, the State Patrol and the Divisions of Criminal Justice, Homeland Security and Fire Safety. I also serve as the Homeland Security Advisor to Governor John Hickenlooper.

I appear before you today on behalf of the National Governors Association (NGA) in my role as Vice Chair of the Governors Homeland Security Advisors Council (GHSAC).

My testimony will focus on three areas: 1) the state role in managing current grant programs; 2) the need for grant reform; and 3) the path forward.

State Role in Homeland Security Grants

Federal funds provide critical support to state and local efforts to prevent, prepare for, and respond to terrorist attacks, natural disasters and man-made events. States play an important role in building, coordinating, managing and assessing the use of such funds to support homeland security capabilities throughout the state and across state borders.

States employ a variety of mechanisms to develop and implement homeland security strategies and plans on an ongoing basis. Integral to all state efforts is the involvement of a multitude of state, local and tribal stakeholders throughout the process. Most states have regional councils or committees that are used to ensure coordination with local officials, including police, fire, emergency management, emergency medical services, public health, county and city management officials, non-profit organizations and the private sector. These regional committees provide for a transparent process that fosters collaboration and partnership, and aids in the distribution of the required 80 percent of funds to localities.

By serving as the central point of coordination among multiple jurisdictions and functional areas, states play a key role in ensuring that scarce resources are used effectively to meet identified national priorities that are tailored for regional needs. States have used homeland security grant funds to develop and sustain critical capabilities such as intelligence fusion centers, statewide interoperable emergency communications and specialized regional response teams.

For example, fusion centers form an important part of the nation's information sharing network that helps to identify and investigate potential threats. These centers collect, analyze and file suspicious activity reports as part of the Nationwide Suspicious Activity Reporting Initiative based upon information gathered by officers in the field. These centers include many public safety partners and incorporate emergency operations centers and the public health community.

In my home state of Colorado, we have used grant funds to support our state fusion center, the Colorado Information Analysis Center (CIAC). The CIAC employs an all-crimes, all-hazards approach to intelligence and information sharing that has proven valuable in a number of instances. After a failed bombing attempt at a Borders Bookstore, we used the CIAC to distribute information about the attempted bombing to law enforcement officers throughout the state. By the end of the day, we had a suspect in custody. The CIAC has also been credited with significantly reducing auto theft throughout the state.

Because auto theft is a transitional crime, where stolen cars are subsequently used in a myriad of offenses, the sharp reduction in auto theft is having cascading effects on other more serious crimes.

A number of states have also used grant funds to coordinate not only statewide but multi-state interoperable communications systems. In one state, homeland security grant funds have helped replace or reprogram 30,000 first responder radios and provided over 90 percent of responders with access to common radio channels that can be used to communicate during a large incident.

The development and implementation of Statewide Communications Interoperability Plans (SCIPs) has significantly improved crisis-level communications capabilities and helped avoid the purchase of proprietary, non-interoperable equipment across county and state lines. These plans were largely developed using federal grant funds. The SCIPs and the coordination mechanisms used to develop them will be instrumental as the nation begins development of the nationwide public safety broadband network in the next several years.

States have also used grant funds to develop a variety of special response teams ranging from bomb squads to weapon of mass destruction (WMD) and hazardous materials (HAZMAT) teams to veterinary rapid response teams and agricultural warning systems. Grant funds have helped provide standardized training for mass casualty incidents, further the adoption of the National Incident Management System and support citizen and community preparedness initiatives.

The Need for Reform

Federal funding for homeland security grant programs has been reduced by more than 50 percent over the last two fiscal years. The impact of this reduction, combined with ongoing state and local fiscal challenges, warrants reconsideration of the current grant structure to ensure funds can continue to be used as effectively as possible.

The decrease in funding has placed an administrative burden on grantees and has made it more difficult to achieve statewide and regional strategic goals. For instance, in some states, the fusion center has been supported in large part through the state's 20 percent share of State Homeland Security Grant Program (SHSGP) funds. As those funds decrease, it is no longer possible to continue to operate the fusion center while also providing for management and administration of the entire SHSGP award or addressing other identified capability gaps.

As another example, the activities of many Statewide Interoperability Coordinators (SWICs), who serve as a single point of contact to ensure coordination for first responder radio communications, are supported by grant funds. Without an increase in overall funding or the ability to use more than the state's 20 percent share, many of these positions may be eliminated. The work of the SWICs has helped streamline communications systems, saving not only money but also improving first responders' ability to save lives and protect property. While the interoperability of radio communications systems has greatly improved, more work remains to be done. The incorporation of broadband technologies to provide data and video services for first responders will also require continued state leadership to maintain the progress made to-date.

As a reflection of this new challenge, the Federal Emergency Management Agency (FEMA) recently proposed to consolidate 16 grant programs into a new National Preparedness Grant Program. While the details of how this proposal would work need to be developed, states believe any reform should provide greater flexibility in the use of funds while ensuring transparency, accountability and collaboration.

In order to facilitate state input into grant reform, the NGA Special Committee on Homeland Security and Public Safety has developed a set of governors' principles for homeland security grant reform. These are broad principles intended to articulate state priorities and concerns. A copy of the principles is attached.

As you'll see, these principles address key issues such as the need to continue to allocate funds based on risk while ensuring that each state and territory receive funds to maintain critical homeland security and emergency response capabilities. The principles also discuss the need to focus the use of funds on developing and sustaining common core capabilities; the need for the federal government to work with states and territories to develop methods to measure performance; and the need for clear and timely guidance from the federal government for conducting threat assessments.

As Congress and the federal government have reviewed current grant programs, there has been a great deal of attention recently on the approximately \$8 billion in previously appropriated grant funds that have not been drawn down. Some have argued that states have caused this delay in the use of funds and, therefore, a greater proportion of funds should be awarded directly to local entities. States disagree with this assertion and point out that it is often the funds that have been dedicated to localities or port and transit authorities that remain unspent. Part of the delay may stem from federal requirements for environmental and historic preservation reviews or of the need to obtain necessary local approvals before proceeding with a project. Regardless of the cause, many states are trying to work with FEMA and their local organizations to identify ways to address this issue. Several states employ a rigorous oversight process that provides advanced notice of when funds may not be used and allows them to reallocate those funds to other local high priority projects.

States employ a variety of structures to administer and manage the grant programs; however, all agree that coordination among all levels of government is a critical factor. They also believe that states are best positioned to oversee and coordinate all homeland security and emergency preparedness activities within their boundaries. Currently, states have no role in the use of port and transit security grants. These funds could be used by a local area to implement proprietary communications systems that are not interoperable with surrounding areas or the statewide system.

Ensuring a strong state role in all grant programs will help achieve economies of scale, avoid duplication of effort, leverage available assets and avoid gaps in critical capabilities. It would also recognize governors' constitutional emergency authorities. Governors have unique emergency authorities, including the ability to deploy the National Guard. To properly utilize these authorities to save lives and protect property, governors and their homeland security advisors, emergency management directors and Adjutants General, must have knowledge of capabilities, assets and resources throughout the state.

The Path Forward

NGA and the GHSAC welcome the opportunity to work with this Committee as you assess the current grant programs and consider various reforms. We also look forward to working with FEMA to help identify and address key questions and concerns regarding their proposal to consolidate and restructure the grant programs.

Governors and their Homeland Security Advisors believe very strongly in the need to preserve a strong state role in the management of grant funds in order to ensure transparency and coordination and facilitate efficiency and effectiveness. The grant process, including reform efforts, must include input from a variety of stakeholders, and we are committed to working with our partners in local and tribal governments as well as the first responder community.

To this end, states encourage Congress and the federal government to examine other related grant programs that could be better coordinated to achieve desired outcomes, including grants administered by the Department of Justice and the Department of Health and Human Services.

Chairman Bilirakis and Ranking Member Richardson, thank you for the opportunity to testify on this important topic. I'm happy to answer any questions you or other members of the Subcommittee may have.