



Special Report

State Funding for Homeland Security

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Since the catastrophic events of September 11th, new programs and funding have been created for state governments to prepare for future terrorist attacks. The additional funding for public health grants for bioterrorism preparedness in fiscal 2002 is underway, with state plans due by April 15th for the current year funding. In addition, the President's 2003 budget proposes to continue the public health grants for fiscal 2003 and would provide additional funds of \$3.5 billion under the Federal Management Emergency Agency (FEMA) for state and local governments for the First Responder State/Local Preparedness grant.

First Responder State/Local Preparedness Grant. Of the \$3.5 billion proposed for fiscal 2003 in the President's budget, approximately one-third would be used to improve communications, one-third would be used for state and local first responders, and the remainder would be used for training, planning, technical assistance, and administration. This new program would consolidate funds from the first responder grant previously funded at \$635 million in fiscal 2002 through the Department of Justice and the recently created FEMA FIRE grant funded at \$360 million in fiscal 2002.

Twenty-five percent of the funding would be distributed to states for discretionary spending with a match rate of 75-25. The remainder of the funds would be distributed to localities, with state discretion to determine the boundaries within the state. While the President has included a proposal for these funds for homeland security in his budget, many of the specific details for distribution have not been provided.

Public Health Grants for Bioterrorism Preparedness. The Department of Health and Human Services (HHS) announced \$1.1 billion for funds in fiscal 2002 to respond to bioterrorism and other public health emergencies resulting from terrorism. The funds are to be used as follows:

- Develop comprehensive bioterrorism preparedness plans.
- Upgrade infectious disease surveillance and investigation.
- Enhance the readiness of hospital systems to deal with large numbers of casualties.
- Expand public health laboratory and communications capacities.
- Improve connectivity between hospitals, and city, local and state health departments to enhance disease reporting.

Funding is provided from the Centers for Disease Control and Prevention, the Health Resources and Services Administration, and the HHS Office of Emergency Preparedness.

States are allowed to begin spending 20 percent of their allocation immediately with the remaining 80 percent available after HHS has approved the state's plan. State plans are due to HHS by March 15, 2002 and no later than April 15, 2002. Each statewide plan is to describe how it will respond to a bioterrorism event and other outbreaks of infectious disease as well as how it will strengthen core public health capacities in all relevant areas.

Each statewide plan is to be reviewed and endorsed by the governor prior to submission. NASBO members may wish to be aware of the planning process now being undertaken in their state and the decisions being made on spending these federal funds. Within the past two weeks, each state budget office received the 2000-2001 Health Care Expenditure Survey. The 2000-2001 survey incorporates public health data that could be extremely helpful as your state moves through the bioterrorism planning process.

The HHS news release of January 31, 2002 contains a detailed list of critical benchmarks for bioterrorism preparedness planning as well as amounts allocated by state. This release is located at <http://www.hhs.gov/news/press/2002pres/20020131b.html>.