

## Testimony for Senate Budget Committee

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Senator Conrad and members of the committee. Thank you for the opportunity to address budget implications affecting current Homeland Security Programs. Since FY 2003 North Dakota has received over \$65 million in Homeland Security Program, Law Enforcement Terrorism Prevention and Citizen Corps funding. . During that period North Dakota obligated over \$ 50 million to local jurisdictions for preparedness activities strengthening our ability to respond to catastrophic events and acts of terrorism.

Over the past several years Homeland Security funding has provided a major source of revenue in North Dakota for building response capabilities of local first responders through equipment, exercise and training. The funding also provides North Dakota the intelligence network for a cooperative venture with law enforcement entities through the North Dakota Intelligence Fusion Center. Adequate funding has strengthened local emergency management programs through increased planning and up to date operating procedures. Critical to timely response to major incidents the funding has enabled the state to begin the transformation of an aging communication system to a seamless communicative link providing responders day to day interoperability for timely response. Finally, Homeland Security revenue has fostered our ability to partner with our sister states of South Dakota, Minnesota, and Montana establishing multi-state intelligence fusion and a unique computer linked communication vehicle for timely transference of law enforcement sensitive information.

As you can ascertain Homeland Security funding is a major source of funding for local first responders in every community within our great State. It is suffice to say the revenue stream has better prepared our firemen, emergency medical service staff, law enforcement officers and others to respond to incidents on a day to day basis as well as provide the communicative link necessary for coordinated integrated response to major incidents and fostered a multi-state cooperative effort to keep the Homeland safe.

North Dakota is extremely appreciative of the funding received and as evidenced above has put the funding to good use. Although the funding source has been considerable North Dakota is in dire need of substantial funding for program continuance and to fulfill unmet training, exercise, equipment and planning needs. Over the past three years North Dakota has invested over \$ 22 million in jurisdictional and state infrastructure communication needs. Despite this large investment a recent gap analysis has identified over \$25 million in unmet communication needs for local firemen, law enforcement agencies and ambulance services. North Dakota is required to train its first responders and community leaders to be National Incident Management System (NIMS) compliant.

Although North Dakota has trained close to 50% of state first responder's state their currently exists a large cadre of responders in need of NIMS training. The Homeland Security response to a catastrophic incident is dependant on coordinated response. The state is embarking on an aggressive regionalization response plan linked to strategic equipment disbursal and exercises. Our list of equipment needs, training needs and exercise requirements is extensive.

Despite these undisputable needs, Homeland Security funding in the past budget cycles has diminished to the point that North Dakota current program and the preparedness of our first responders is in jeopardy.

In FY 08 it is projected that North Dakota will receive approximately \$ 6 million. This amount compares to \$10,788,443 in FY 06. This severe \$4 million cut or 40% reduction is not proportionate nor is it in the best interest of Homeland Security in North Dakota, our cooperative efforts with Canadian partners, or the protection of the Homeland.

As we meet today the FY 09 budget offers further unjustly severe cuts to Homeland Security funding as follows:

### **State Homeland Security Program**

The FY 2009 budget cuts the State Homeland Security grant Program from \$950 million to \$200 million a 79% reduction from FY 2008. North Dakota cannot be expected to maintain and fulfill National security programs with this reduction. North Dakota has taken a series of budget cuts over the last three years. North Dakota is currently operating on a \$6 million Homeland Security allocation. This bare bones allocation provides the basic funding available to maintain and build jurisdictional capabilities and provides basic funding for state programs including but not limited to State Communications infrastructure, Intelligence Fusion Center and catastrophic event planning. We urge this program to be funded as previously authorized in the 9/11 Commission Recommendations Act.

### **Communications Interoperability**

The FY 09 budget includes no funding for the Interoperability Emergency Communications Grant as authorized in the 9/11 Commission Recommendations Act. North Dakota had identified over \$25 million of communication equipment needs. That need may only be addressed through state, local and federal cooperation. Exclusion of the communications grant takes the federal portion completely out of the solution. We recommend inclusion of the funding for the program as indicated in the 9/11 Commission Recommendations Act.

### **Emergency Management**

The FY 09 budget cuts Emergency Management Performance Grants funding by over 30%. This program is the backbone of emergency planning for building capabilities for North /Dakota Emergency Management and the programs of 53 counties and four tribes.

This cut will severely affect these essential programs. We recommend full funding of the program at the level indicated in the 9/11 Commission Recommendations Act

Additionally current administration of the program continues to decrease the funding available for state execution of program as follows:

**The 80/20 rule.**

Current rule dictates 80% of funding must be allocated to local units of government. The rule is not equitable. Many of the state programs are keyed to benefit local jurisdictions through application. Those programs are currently funded entirely through the 20 % allocated for state efforts. The 20% allocated to the state is not sufficient to continue ongoing programs for a number of reasons. For example the state effort to revitalize its entire communication infrastructure is a massive undertaking requiring significant funds. Currently the only funding available is through the 20% allocated to the State. Another example is the current funding for the intelligence fusion. Pursuant to DHS guidance North Dakota has established intelligence Fusion Center. The Center staffed with planners and analysts is restricted to state funding. The current reduction of state funding has decreased the state portion of funding to the point it is having an adverse effect on program.

The current 80/20 rule is not based on any specific data set. It is merely a formula that the authors of the original homeland security funding deemed appropriate at that time. Jurisdictional needs for equipment, exercise and training is decreasing. The upper level program necessary for first responders is best served through a coordinated state effort. That effort demands an increased funding source.

Serious consideration should be given to an equitable distribution of 50/50 for Homeland Security fund obligations.

**The 15% cap on staffing**

Decreasing funding over the past three years has stressed the states' ability to meet staffing requirements for program execution and compliance with DHS mandates. A 15% funding cap for staffing fails to recognize the staff intensity of program execution throughout North Dakota. Currently North Dakota Department of Homeland Security funding accounts for close to 30% of staffing requirements. Further reductions in the aggregate Homeland Security funding will significantly decrease the amount of funding available for adequate staffing.

Serious consideration should be given to increasing the 15% staffing allocation.

**Expansion and or elimination of the 3% cap on administration.**

Current Homeland Security guidance restricts administration to 3% in 08 versus 5% in 07. The administration responsibilities of Homeland Security grants do not have a direct

correlation to the amount of funding received. It cost North Dakota as much to administer a \$6 million program as it does to administer a 10 million program. Current requirements and mandates from DHS including but not limited Biannual Strategy Implementation Reports, Preparedness Reports, and data calls currently requirement funding in excess of 3%. Reverting back to more realistic 5% administrative costs will alleviate the concern.

In closing, North Dakota is concerned about current proposed budget cuts for Homeland Security program. Unless significant change is implemented our current program will be severely impacted and ultimately hinder the ability of first responders in North Dakota to protect the Homeland. Congress has the ability to rectify this impending situation through the inclusion and appropriation of significant funding to maintain and perpetuate ongoing program and mandate specific program changes.