

How the Department of Homeland Security has explained its funding cuts to New York

Since the announcement by the Department of Homeland Security of the allocation of grants for Fiscal Year 2006, Department officials have given a variety of explanations for their decision to cut funding to New York City, some of which seem to contradict each other. Below is a collection of these explanations.

Explanation 1: It's Congress's Fault

“Congress gave us about \$600 million less for our grant programs, including \$125 million less for the urban areas initiative.” - Michael Chertoff in *The New York Times*, June 7, 2006

Analysis

	UASI Funding	NYC Funding
FY2005	\$830 Million	\$207.5 Million
FY2006	\$710.6 Million	\$125 Million
Total Cut	\$119.4 Million	\$83 Million
% Cut	15%	40%

Funding for the Urban Area Security Initiative (UASI) was cut by approximately \$120 million – from \$830 million in FY05 to \$710.6 million in FY06 – a cut of almost 15%. New York City's cut was much steeper, with the Department of Homeland Security cutting funding for New York City 40%. In real dollars, New York City's cut was a little more than \$83 million, from \$207.56 million in FY05 to \$124.45 million in FY06. In other words, with a \$125 million cut nationwide, the \$83 million cut to New York City was approximately 2/3 of the total.

While New York City's funding was slashed, other communities saw their awards increase.

- Jersey City/Newark's funding grew by \$15.1 million, from \$19 million to \$34 million an increase of over 79%.
- Louisville, Kentucky received \$3.5 million more in 2006 than in 2005, rising from \$5 million to \$8.5 million, a growth of 70%.
- Omaha, Nebraska received \$3.2 million more, growing by almost 63%, from \$5.1 million to \$8.3 million.

Explanation 2: Spreading the Wealth

- “Tracy A. Henke, assistant secretary for grants and training, told reporters that the new funding distribution was the result of a better review process and does not indicate lesser risk for cities such as Washington or New York. Officials noted that Congress had cut the program by about \$125 million in 2006, to \$711 million, and that New York, Washington and other major cities still would receive the largest shares.” - *Washington Post*, June 1, 2006
- “We have to understand that there is risk throughout the nation,” Henke said. “We worked very hard to make sure that there was fairness in the process.” - *Washington Post*, June 1, 2006
- “We put the money early on in the cities at the highest risk. And we made sure those cities got the money to make them secure. But having done that, it's now time to turn to cities that are lower risk, but haven't really gotten that kind of funding. You know, the analogy I used is this: if someone burglarized my house and broke down the front door, I'd make sure first I repaired the front door and I'd put a lot of locks on the front door. But at some point, after I've put locks on the front door, I've got to start looking at the back door and the windows too, and just putting more locks on one door is not going to really raise the overall level of security.” -Michael Chertoff on National Public Radio, June 2, 2006
- Officials want to “spread the money to other places.” - Michael Chertoff in *The Washington Post*, June 2, 2006

Versus

- Federal security grants are "not party favors to be distributed as widely as possible," - Michael Chertoff at Urban Area Security Initiative Grants press conference, January 3, 2006
- “Homeland security assistance should be based strictly on an assessment of risks and vulnerabilities. Now, in 2004, Washington, D.C., and New York City are certainly at the top of any such list. We understand the contention that every state and city needs to have some minimum infrastructure for emergency response. But federal homeland security assistance should not remain a program for general revenue sharing. It should supplement state and local resources based on the risks or vulnerabilities that merit additional support. Congress should not use this money as a pork barrel.” - 9/11 Commission Report (page 396)

Explanation 3: New York has NO National Icons

- “National icons are generally monuments that don't have people living in them or working in them. If we have a choice between categorizing a building as an icon or as an office building with people who are actually at risk, the office building gets more weighting in the risk calculation. And therefore it's more beneficial for a city like New York to treat it as an office building rather than as a national monument.” - Michael Chertoff on National Public Radio, June 2, 2006
- “Henke said that the Statue of Liberty was included in the state risk rating but was not counted in the city rankings at all, in part because the statue is federal property. She also said other landmarks, such as the Brooklyn Bridge or Empire State Building, were counted in other categories, such as bridges or tall buildings.” - *Washington Post*, June 2, 2006
- “Chertoff also said that the city landmarks were counted as infrastructure in the grants calculations. Lady Liberty, however, wasn't included because she stands on federal land.” - *New York Daily News*, June 2, 2006

Others have said differently

- “New York City is a unique symbol of America's creativity and character and resilience.” - President Bush in speech on July 9, 2002
- "New York is a symbol of America and a symbol of its freedom, that's why we were attacked on Sept. 11." - Governor George Pataki in *The Journal News*, March 21, 2003

Explanation 4: The Funding Request was Improperly Filed

- “Federal officials said yesterday that the city had not only done a poor job of articulating its needs in its application, but had also mishandled the application itself, failing to file it electronically as required, instead faxing its request to Washington.” - *New York Times*, June 2, 2006
- “The report faulted the city for not adequately explaining why the money being requested could reduce risks.” - *New York Times*, June 2, 2006
- “DHS defended its allocations saying it had weighed risk as well as the quality of the grant proposals. Officials criticized both NYC's and Washington's applications. DHS took issue with NYC's use of grants to pay for recurring costs, namely overtime for police on counter-terror duties. DHS Secretary Michael Chertoff even suggested that the two cities were victims of their success at hardening possible terrorist targets.” - *Miami Herald*, June 5, 2006

Analysis

New York State submits all of the applications and they have since provided documentation showing that they successfully submitted the applications electronically. New York City’s application did rank in the top 25% in terms of risk, but the Department of Homeland Security ranked the application itself in the bottom 25%. If DHS correctly understands that New York City is at the top of any list for an assessment of risk, subjective questions regarding “who wrote the best term paper” should not unfairly penalize a locality.

Explanation 5: This Year’s Funding is Consistent With Historical Levels

From the *News Hour with Jim Lehrer* on June 1, 2006:

JIM LEHRER: “Storm one: the announcement yesterday of funding grants for homeland security, anti-terrorism, the cuts to New York City and Washington, the two target cities for 9/11. Why?”

MICHAEL CHERTOFF: “Well, first of all, Jim, I don't think it's fair to describe them as ‘cuts.’

“Take New York, for example. Last year, New York got \$200 million. This year, we're going to give them \$124 million under this particular program. But last year was an artificially elevated number to make up from the very low grant the year before.

“If you average out the prior three-year grants, you're going to see this year is directly in line with what we've done over the last four years.”

Analysis

Actually when you look at UASI funding over the last 3 years, New York City has received 25% of the funding in both 2003 and 2005. The only year that New York City received less than 25% is in 2004, which Secretary Chertoff has openly criticized as a “very low grant”. The only way New York’s share averages out to 19% is when you add the “very low” amount received in FY04. If there was any historical trend with regards of percentages, it would be that NYC received 25% of total UASI funding.

	Grant to NYC	Overall UASI Funding	% of Total
FY2003	\$150 Million	\$602 Million	25%
FY2004	\$47 Million	\$675 Million	7%

Prepared by the Office of Congresswoman Carolyn B. Maloney

FY2005	\$207.5 Million	\$830 Million	25%
FY2006	\$125 Million	\$710 Million	18%

Explanation 6: Spending Money *Outside* of New York Protects New Yorkers

- “I think a lot of time people think the money that protects New Yorkers should come to New Yorkers to spend on their own behalf. But the power grid is a perfect example. A few summers ago there was a blackout in New York caused by something that happened in a transformer, I think it may have been in Canada. We're all depending on each other. And so sometimes putting resources into a community that may not have a lot of people, but may be the place where an important part of the power grid is located, actually has a direct effect in terms of protecting something that's very important to New Yorkers, which is the ability to turn the power on.” - Michael Chertoff on National Public Radio, June 2, 2006
- ““When you are protecting agriculture in the Midwest, you are protecting the citizens of New York City,” Assistant Secretary Tracy Henke told C-Span's Washington Journal.” - *New York Daily News*, June 3, 2006
- “Homeland Security Secretary Michael Chertoff had said New Yorkers are safer when "we protect agriculture in Wisconsin that is providing the food that New Yorkers eat." - *New York Daily News*, June 3, 2006

Versus

- “We are taking a giant step forward in implementing this risk-based strategy. It's going to be more robust. It's going to be more precise.” - Michael Chertoff at Urban Area Security Initiative Grants press conference on January 3, 2006
- Federal security grants are "not party favors to be distributed as widely as possible." - Michael Chertoff at Urban Area Security Initiative Grants press conference on January 3, 2006