'This should be all about national security, and less about pork and politics'

Homeland security money has not been flowing to the places in danger, and some members are worried

GEOFF EARLE

Most of the homeland security money Congress has appropriated since Sept. 11, 2001, has failed to reach the local governments that need it most, while much of the funding has gone to places that face only a minimal threat from terrorism.

There is a widespread belief among members of Congress that the grant programs as run by the Department of Homeland Security (DHS) fail to target billions of federal dollars to the most threatened areas, leaving probable targets more at risk. But it is far from certain that the department's funding formulas — which the lawmakers created — will change anytime soon, in part because powerful rural and small-state interests within the Congress favor the status quo.

In devising a template to dole out homeland security grants in the immediate months after Sept. 11 attacks, Congress crafted a formula that ensured every state would get a share of the money. Now, even some senators who represent low-population states that are receiving millions of dollars in block grants under the current system say the formula should change.

"This should be all about national security, and less about pork and politics," said Rep. Chris Cox (R-Calif.), who chairs the House Permanent Select Committee on Homeland Security. "Right now, we're using funding formulas that look more like a highway bill."

But even the pending surface-transportation bill, which is ridiculed by spending watchdog groups for its pork-like congressional earmarks, steers a greater share of its resources to communities deemed to be in need.

"We need to adjust that funding; we really do," said Sen. John McCain (R-Ariz.). "If that means Arizona may get less funds, then my constituents will understand. It'll be tough, because everyone wants to get their share of the pie."

'ARROGANT' AGENCY?

The Bush administration has proposed a major shift in how it awards the money, doubling the amount for grants to cities with the greatest security needs at the expense of a formula that spreads the money evenly to all 50 states.

But some members suspect the move toward grants designated by the agency, instead of following the current congressionally mandated scheme, amounts to a power grab by DHS Secretary Tom Ridge at the expense of their authority. Meanwhile, some members grumble that the department is not responding to members' requests for information about local projects. In particular, some Republican lawmakers fret that the administration's plan would lavish funds on heavily Democratic cities at the GOP's political expense.

"They're very arrogant," said one senior House Republican who asked not to be identified, referring to the year-old department. "They feel that they are totally in charge — that we should give them this money and [let them] run off and do what they want with it. ... The agency is, I believe, unresponsive to Congress."

An administration official responded that the DHS has provided 2,300 briefings to members and congressional staff over the last year and has received 3,000 letters from members. "There are a lot of requirements, and we are being as responsive as hopefully can be expected," the official said.

A Cox bill to change the funding system to a more threat-based approach passed the select committee he chairs unanimously, and GOP leadership aides say it will probably reach the House floor. But it is uncertain whether the bill in its present form could clear Congress.

The Senate Governmental Affairs Committee also unanimously reported a bill proposed by Sen. Susan Collins (R-Maine) aimed at streamlining the grant application process. But Collins favors guaranteeing small-population states a share of homeland security funding. She is currently negotiating with Sen. Joe Lieberman (D-Conn.) on a revised bill that could go to the floor.

It is unclear whether the administration will get the greater discretion it seeks in awarding grants to high-threat areas, as outlined in President Bush's budget. Senate Appropriations Chairman Ted Stevens (R-Alaska) said it was too early to talk about how the money would be allocated within the agency.

FORMULA'S RURAL BIAS

The clout that rural states hold in the Senate can be seen in a range of federal programs, from the dairy program to sugar subsidies.

The influence of rural-state senators, plus the House majority GOP's tilt toward rural and suburban districts, will make any changes to the funding formula difficult, say congressional aides, at a time when the DHS has designated the nation's threat level from terrorism has ranged from "elevated" to "high."

Congress appropriated $1.7 billion in counterterrorism grants to states during fiscal year 2004, by a formula first set up in the USA Patriot Act. Each state got an equal share (0.75 percent) of a bulk of the funding. Another pot of money, about $500,000, was distributed on another population-based formula. Other funds have been awarded to assist urban transit programs with security.

This approach gave every senator something to take home to the voters this year. New York got $103 million in the current fiscal year. Delaware got $20 million. Montana got $21 million, and Wyoming got $19 million. Under a lesser formula of 0.25 percent, the U.S. territory of the Northern Mariana Islands got $6 million, as did American Samoa.

House and Senate offices sent out a flurry of press releases over the last two weeks announcing new homeland security grants that were awarded in their states. Although the department announced the awards late last year, the money for about half the designated grants for high-risk urban areas actually arrived only last weekend, with the balance to arrive shortly.

Sen. Chuck Hagel (R-Neb.), for example, released a statement trumpeting $24.4 million in new security grants for Nebraska. The funding, Hagel said, would help the state respond to terrorist incidents, including "chemical, radiological, nuclear and explosive weapons and cyber attacks."

The current system has drawn a number of critics. "We did homeland security legislation in an emergency fashion," said McCain. "There is an overwhelming group of experts who tell you that there are some areas to which the threat is a greater threat. Are [terrorists] going to go to Gila Bend, Ariz., or Badlands, S.D. or Los Angeles, Calif.?"

Rep. John Boehner (R-Ohio) referred to the highway bill that cleared the House last week, after members from mainly Southern "donor states" failed to change the funding formula on the floor. On homeland security, he said, "If you're going to change it, you better do it early on. ... Once you begin to get a pattern, you just can't change it."

Sen. Pat Roberts (R-Kan.), who chairs the Senate Intelligence Committee, said he has doubts that the nation is setting its priorities correctly. "I have some concerns ... in trying to do a better job of threat assessments," he said.

But Roberts, whose heavily agricultural state got a $29 million counterterrorism grant, said the threat to the nation's food supply was "very real."

The Sept. 11 hijackers had also shown an interest in using crop dusters, he noted, adding, "We believe the crop dusters were for crops, not people." Roberts said the use of anthrax or other biological agents could cause "economic chaos" if they got into the food supply.

"I don't believe that every spot that's got a name on our map necessarily is a threat," said Stevens, who helped hammer out the original formulas. "You can have a threat where there's no population," he said, and you can have "no threat" where there is a large population.

Stevens noted that Alaska, despite a population of only around 600,000, has an 800-mile oil pipeline, plus the nation's largest cargo airport.

"It was a realization that every state has a degree of threat," said Rep. Harold Rogers (R-Ky.). "You never can tell where the problem is going to originate."

MONEY STUCK IN STATE CAPITALS

Beyond the formula itself, members are raising concerns about supposed problems in distributing the federal grants to local governments, who must apply for most of their funds through the states. Members say Ridge, a former governor of Pennsylvania, believes states are best positioned to oversee the programs rationally.

Rogers expressed frustration that only 30 percent of the fiscal year 2002 funding has gotten into the hands of local jurisdictions — yet after being awarded to the states. Of fiscal year 2003 money, only 10 percent has reached its final local destinations.

"It's 10,000 reasons," he explained. "Many of the states have not built up the machinery, the bureaucracy ... to get the money out. This is a huge slug of money [to be receiving] just overnight."

Ninety percent of 215 cities surveyed by the U.S. Conference of Mayors reported not receiving any of the funding from the largest program for first responders, a January report said.

Sen. Jon Corzine (D-N.J.) said there was a "serious problem" of underrepresentation of local entities in the current funding formula. "The Senate made a proactive statement," he said, that "a large percentage of it was supposed to flow directly to local communities. It isn't seemingly working that way."

A separate program called the Urban Area Security Initiative allots funds directly to 50 cities designated by Ridge. Under that plan, in this fiscal year, Washington, D.C. got $29 million, Los Angeles got $28 million, Orlando, home to Disney World, got $9 million, Charlotte, N.C., got $7 million, and Fresno, Calif., got $7 million. This is the program the Bush administration wants to expand dramatically through its budget proposal, nearly doubling the appropriated funds, from the current level of $725 million to $1.4 billion in fiscal 2006.

The separate urban program also has its share of problems. Miami got a $19 million grant this year, but is restricting the money to the Miami/Dade County area. Nearby Fort Lauderdale gets none of it.

Yet numerous cruise ships depart from Port Everglades. Moreover, Miami's water system and a gasoline refining plant are located there — arguments Fort Lauderdale's mayor made in a recent meeting with Rogers in his Washington office.

"They make a good case with all of those assets there close by," Rogers said. "There are anomalies in the system that need to be corrected."

The cities that win grants are bound to want more. "You've whetted the appetites for 50 cities to be getting this money," said a Senate Appropriations Committee aide. "That's one of the reasons we are now seeing a proposed doubling of that account."

One House Republican aide said the urban grant proposal was getting resistance from the GOP's base of members from rural districts. "Do you want to sacrifice our base for a bunch of Democratic mayors?" asked the aide. "If you make it solely a determination of the Department of Homeland Security, the rural guys will get the short end of the stick, and the rural guys are the ones who run this place."

Indeed, members from rural states and rural/suburban districts hold most of the key levers in the congressional homeland security apparatus. Sen. Thad Cochran (R-Miss.) chairs the Senate's Subcommittee on Homeland Security Appropriations. His counterpart in the House is Rogers from Kentucky. House GOP leaders hail from rural Illinois, Texas and Missouri, while Senate leaders come from Tennessee, Kentucky and the rural Pennsylvania.

"A lot of the members from more rural districts don't want to change it," said Rogers. "The people from urban areas want to change it."

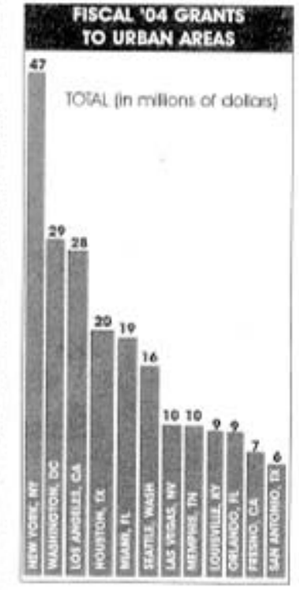
Louisville, Ky., located outside Rogers's district but in his home state, got a $9 million grant. The city doesn't have much in the way of high-profile terrorist targets, although it has some major rail bridges over the Ohio River and includes Fort Knox. "I think they earned their way," said Rogers.

Although he has worked for decades to steer all kinds of federal resources to rural West Virginia, Sen. Robert C. Byrd (D-W.Va.), the Appropriations Committee's ranking member, backs the urban grants program.

"I support funding specifically set aside for cities that face a greater risk of terrorist attack," Byrd said in a statement prepared for The Hill. "We need a better balance to respond to the needs of high-threat areas while also recognizing the continued needs of police, fire and emergency medical teams in every state at the local level."

A Senate Appropriations Committee aide saw no clear political motivation behind the 50 cities that got the urban grants this election year, besides a possible attempt by the administration to cover itself in case a terror attack occurs in one of the funded urban areas. In the previous two years, the grants went to far fewer cities.

"The more people you've given it to, the more people will be able to say, 'We tried to do something,'" explained the aide. "In my view, they sort of made an easy decision."



Rogers acknowledged flaws in the system, but he said "It's the best that I've seen in the short term here." Rogers said he would like to see the department give states more guidance and get more money to local communities. "It's not defined as much as I would like to see it defined," he said.

He said appropriators have asked tough questions of department heads at public and private hearings.

Sen. Frank Lautenberg (D-N.J.), who met with first responders in his state last week, said he wasn't pleased with the formula. "I don't think [there's] a plan that Wyoming is a target that terrorists are looking at particularly. New York, New Jersey is a very appealing place to wreak havoc. It doesn't take care of our needs."

"There is a strong sentiment that we should identify the higher threat areas," said Rep. Bill Young (R-Fla.), the House Appropriations Committee chairman.

But Boehner said that, from a political standpoint, the only solution would be to add money onto the existing formulas to protect the states' parochial interests.

"I'm a realist, and I know that we'll have small-state minimums," said Cox.

"Everybody complains," said Rogers. "All the cities are broke. The states are broke. What I don't want to see are these revenues used much like a revenue-sharing program," where states use federal funds to offset other needs.

Rogers added that Congress was originally designed to balance state interests in a way that shapes the current debate over counterterrorism funding.

"The Founding Fathers compromised and did both: one house based on population, one on geography," he said. "The same things that were motivating them are motivating us now in this question."