June 17, 2004

Secretary Tom Ridge
U.S. Department of Homeland Security
Washington, DC 20528

Dear Mr. Secretary:

In March of this year, you directed that a Task Force on State and Local Homeland Security Funding (Task Force) be established under the aegis of the Homeland Security Advisory Council (HSAC) and its State and Local Officials and Emergency Response Senior Advisory Committees to identify impediments to the timely and effective delivery of state and local homeland security funds to frontline first preventers and responders. The group was charged with recommending solutions and identifying homeland security funding best practices.

The HSAC has reviewed the Task Force findings and recommends that you and the other stakeholders identified in this report move forward expeditiously with the Task Force’s specific recommendations. Among the Task Force recommendations, the Council emphasizes:

- **The necessity for an improved grant tracking system.** As the Task Force discovered, the current system does not provide complete or real-time grant distribution information or measure the operational effectiveness of the funds provided. A new resource management mechanism should be created to monitor critical data that may be used to establish objective metrics.

- **The importance of continued improvement of regional coordination and communication.** Your ongoing focus on a strategic, systems approach is vital to ensuring that dollars are distributed based on quality needs-assessments and sound operational/executable planning, rather than by political considerations.

- **The need for a balanced approach to homeland security funding.** State and local homeland security grant programs should support prevention (i.e. intelligence and information sharing) as well as traditional emergency response capabilities.

We believe that when implemented the Task Force recommendations will speed distribution of Federal resources to State, County, Municipal and Tribal governments. These urgently needed funds will enhance the planning, acquisition, and sustainment of capabilities required to meet the Nation’s homeland security challenges.

The HSAC expresses its gratitude to members of the Task Force for the substance of their report, the urgency with which they worked and their commitment to produce consensus-based recommendations.
On behalf of the HSAC membership, we thank you for the opportunity to contribute to the security of the Nation on this most important endeavor. The HSAC and its Senior Advisory Committees stand ready to assist the Department in its effort to review and implement Task Force recommendations.

Joseph J. Grano, Jr.
Chair, Homeland Security Advisory Council

William Webster
Vice Chair, Homeland Security Advisory Council

Governor Mitt Romney
Chair, Task Force on State and Local Homeland Security Funding and Chair, State and Local Officials Senior Advisory Committee

Richard Andrews
Member, Task Force on State and Local Homeland Security Funding and Chair, Emergency Response Senior Advisory Committee