The federal grant system for first responders is highly fragmented, which can complicate coordination and integration of services and planning at state and local levels. In light of the events of September 11, 2001 and the establishment of the Department of Homeland Security, the 108th Congress faces the challenge of redesigning the homeland security grant system. In so doing, Congress must balance the needs of our state and local partners in their call for both additional resources and more flexibility with the nation’s goals of attaining the highest levels of preparedness. Given scarce federal resources, appropriate accountability and targeting features need to be designed into grants to ensure that the funds provided have the best chance of enhancing preparedness.

Addressing the underlying fragmentation of grant programs remains a challenge for our federal system in the homeland security area. Several alternatives might be employed to overcome problems fostered by fragmentation in the federal aid structure, including consolidating grant programs through block grants, establishing performance partnerships, and streamlining planning and administrative requirements. Grant programs might be consolidated using a block grant approach, in which state and local officials bear the primary responsibility for monitoring and overseeing the planning, management, and implementation of activities financed with federal grant funds. While block grants devolve authority for decisions, they can be designed to facilitate accountability for national goals and objectives.

Congress could also choose to take a more hybrid approach that would consolidate a number of narrowly focused categorical programs while retaining strong standards and accountability for discrete federal performance goals. One example of this model involves establishing performance partnerships, exemplified by the initiative of the Environmental Protection Agency in which states may voluntarily enter into performance agreements with the agency’s regional offices covering the major federal environmental grant programs. Another option would be to simplify and streamline planning and administrative requirements for the grant programs. Whatever approach is chosen, it is important that grants be designed to target funds to states and localities with the greatest need, discourage the replacement of state and local funds with federal funds, and strike the appropriate balance between accountability and flexibility.