



Multi-State  
Information Sharing and Analysis Center



August 6, 2010

The Honorable Craig Fugate  
Administrator  
Federal Emergency Management Agency  
U.S. Department of Homeland Security  
500 C Street SW,  
Washington, DC

Re: NASCIO and MS-ISAC Joint Feedback on the FY 2010 HSGP Guidance

Dear Mr. Fugate:

Federal, state, local, and tribal governments are dependent on the digital infrastructure – a strategic national asset – to carry out government functions and interact with citizens. The White House Cyber Policy Review released in May 2009 stated, “there are a number of Department of Homeland Security grant programs for cybersecurity efforts, but historically grant funds to a large extent have not been prioritized for cybersecurity.” With the federal government, depending more on states to implement and carry out federal programs, the Multi-State Information Sharing and Analysis Center (MS-ISAC) and National Association of State Chief Information Officers (NASCIO) strongly urges FEMA to establish and fund a Cyber Security Grant Program (CSGP) under the U.S. Department of Homeland Security’s (DHS) Homeland Security Grant Program (HSGP).

Although cyber security is an approved funding category within the HSGP, including both the State Homeland Security Program (SHSP) and Urban Area Security Initiative (UASI), cyber security programs and projects unsuccessfully compete against other high priority investments meant to improve physical security preparedness and response capabilities, particularly at the local government level. This request is for the establishment and annual funding, through federal Homeland Security appropriations law, of a distinct federal homeland security grant program, wholly separate from the SHSP and UASI, dedicated to improving cyber prevention, protection, response, and recovery capabilities at both the state and local government levels. Like the SHSP and UASI, CSGP grant awards will be based on risk and the "anticipated effectiveness" of state and local government planned resource investments for improving cyber preparedness and response capabilities. However, in recognition of budget constraints with starting a new grant program, at minimum DHS and FEMA should carve out funding for cyber security programs and projects.

As the interconnectedness of our computer networks blurs the cyber lines between federal, state and local governments, the 80/20 local/state government percentage share distribution of grant awards as is mandated under the SHSP should not apply to this program. Each state's Chief Information Officer or Chief Information Security Officer, or equivalent position at the state level, should possess the authority to determine the composition of the CSGP investment justification for the state and local governments within that state and make the determination on how any CSGP dollars awarded are spent and which

projects are funded. To incentivize each state to target grant projects that provide the most benefit throughout the state and its citizens, a "maximum public benefit" category will be a key component in the program's "anticipated effectiveness" score that will guide the development of investment justifications. Alternatively, DHS could specify definite categories as a priority for grant funding. For example, the reduction of Internet connections or the deployment of DNSSec or encryption technology could be categories to be targeted by DHS for funding.

Without a specific and dedicated federal homeland security grant program that does not compete for funding with more tangible physical security requirements, cyber security will most likely not receive the resource commitment it desperately requires. Cyber security is not only essential to preserve the states' ability to effectively serve citizens, but is also necessary to protect federal programs (such as Medicaid, TANF and others) administered by the state, preserve the privacy of personal and sensitive information, and support mission-critical homeland security activities.

Sincerely,



Doug Robinson  
NASCIO Executive Director



William F. Pelgrin  
Chair, Multi-State ISAC