TO: All State Administrative Agency Heads
    All State Administrative Agency Points of Contact
    All State Homeland Security Directors

FROM: C. Suzanne Mencer
      Director

SUBJECT: Expansion of Allowable Expenditures for FY 2004 Equipment Category
         “CBRNE Prevention and Response Watercraft”

The FY 2004 Homeland Security Grant Program and FY 2004 Urban Areas Security Initiative Grant Program currently include an allowable equipment category for “CBRNE Prevention and Response Watercraft” for port homeland security purposes. ODP is expanding this category to include watercraft purchased for prevention and response activity beyond port homeland security purposes.

Other allowable uses for CBRNE prevention and response watercraft now include protection of critical waterways and dams, reservoirs, and large lakes in addition to ports. To be eligible, these waterways must be identified as a critical asset to the state through a vulnerability assessment. In addition, the State Homeland Security Strategy or Urban Area Homeland Security Strategy must identify these waterways as critical assets requiring state and/or local prevention and response capabilities.

Allowable costs for this watercraft category include the purchase of surface boats and vessels, as well as customary and specialized navigational, communications, safety, and operational equipment necessary to enable such watercraft to support the homeland security mission. Licensing, registration fees, insurance and all ongoing operational expenses are the responsibility of the grantee or local units of government and are not allowable under these grant programs.

Prior to obligating funds for this equipment category, grantees must obtain a written waiver from ODP by consulting with their Preparedness Officer and providing a detailed justification for the request.

For further information, please contact your Preparedness Officer or the ODP Helpline at 1-800-368-6498.