The State Homeland Security Program (SHSP)
Department of Homeland Security
October 1, 2025

Overview

The State Homeland Security Program (SHSP) is a core FEMA grant under the Homeland Security Grant Program (HSGP) that funds state, local, tribal, and territorial (SLTT) governments to build risk-driven, capabilities-based homeland security strategies. It focuses on closing capability gaps needed to prevent, protect against, prepare for, and respond to acts for attacks, with benefits that also support broader all-hazards preparedness.

For FY25, Congress appropriated **$373.5 million** to SHSP nationwide. Funds are awarded to State Administrative Agencies (SAAs) in all 56 states and territories, which then regrant most of the dollars to local and tribal jurisdictions as subawards. SHSP investments must be tied to core capabilities in the National Preparedness Goal and informed by each state's THIRA/Stakeholder Preparedness Review (SPR).

Federal Program Framework

The State Homeland Security Program (SHSP) provides annual federal funding to states and territories to support security, emergency preparedness, and resilience projects across state, local, and tribal partners.

- FEMA administers the State Homeland Security Program (SHSP) under the Homeland Security Grant Program (HSGP) and sets annual priorities through the HSGP/SHSP Notice of Funding Opportunity and Preparedness Grants Manual
- Each State Administrative Agency (SAA) receives the award, uses THIRA/SPR and the National Preparedness Goal to select projects, and must pass at least 80% of SHSP funds to local and tribal governments within 45 days.

Timeline

Policy	Focus & Key Provisions
Homeland Security Act §2002 (SHSP Authority)	Establishes the State Homeland Security Program as a core DHS/FEMA grant to help states prevent, protect against, and respond to terrorism.
Annual DHS Appropriations (FY25 SHSP – **$373.5M**)	Provides yearly funding for SHSP and sets the national pot that FEMA allocates to states and territories.
FY25 HSGP / SHSP NOFO	Defines current-year priorities, National Priority Areas (election security, cyber, soft targets, etc.), LETPA minimums, and application requirements for states.
State SHSP Guidance & Application Window (Dec 2024–Apr 2025)	Directed federal export policies to prioritize selling full-stack AI solutions to allies.
Award & Pass-Through (Fall 2025)	FEMA issues SHSP awards to states; SAAs must pass at least 80% of funds to local/tribal governments within 45 days and manage projects over a 2–3-year performance period.

What Does This Mean for Government?

State and local governments will be expected to:

- **Use SHSP as a core funding tool** to build and sustain attack-focused capabilities (planning, training, cyber, physical security, exercises).
- **Align projects with federal priorities** like cyber resiliency, election security, soft targets, and fusion centers to stay competitive for funding.
- **Coordinate across agencies and regions** (emergency management, law enforcement, IT, elections, schools) to design joint projects and move at least 80% of funds down to local and tribal partners quickly.

For government, SHSP also signals that homeland security and attacks preparedness are not ad-hoc purchases it's a structured, recurring responsibility tied to national standards and measurable capability gaps.

What Does This Mean for Industry?

For contractors, integrators, and technology vendors working with state and local agencies, SHSP is a green light to move forward with more proactive project scoping, grant-aligned proposals, and multi-year security and resilience roadmaps.

Key takeaways for vendors:

- **SHSP** creates a recurring funding stream for security, cyber, communications, and emergency preparedness projects aren't just buying once, they're planning multi-year capability builds.

- **Projects that clearly map SHSP** priorities (cyber resiliency, soft target protection, election security, fusion centers, training/exercises) are more likely to be funded and renewed.

- **Vendors who help agencies "grant-proof" their projects** clear budgets, simple outcomes, and language that fits SHSP rules and capability gaps will be seen as long-term partners, not just product sellers.

In short, SHSP creates a steady, grant-backed market for security and resilience solutions, and vendors who understand how to align their offerings with SHSP rules and priorities have a clear advantage.

About Technology by Policy

Tech by Policy is a Carahsoft initiative that helps technology vendors align their solutions to evolving federal, state, and local policy priorities to accelerate growth in the public sector. The program connects policy to procurement—translating executive orders, modernization mandates, and compliance frameworks into actionable go-to-market strategies.

By mapping technology capabilities to government missions, Tech by Policy enables vendors to build visibility, strengthen credibility, and drive adoption through policy-aligned positioning, campaigns, and education.

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