

# **The Community Services Block Grant Modernization Act of 2021 (H.R. 5129)**

*Investing in our nation's network of local antipoverty agencies*

**Led by: Rep. Suzanne Bonamici (D-OR) & Rep. Glenn “GT” Thompson (PA)**

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## **Background**

Poverty has many causes and consequences. Though no single program or policy can address all aspects of the problem, **the Community Services Block Grant (CSBG) is the only federal program with the overarching goal of reducing poverty, regardless of cause or condition, as it affects individual families and communities.** CSBG supports a nationwide network of more than 1,000 local agencies that work in virtually every American county to help people in need define their pathway out of poverty.

For the past 40 years, Congress has shown bipartisan support for CSBG and its network of Community Action Agencies (CAAs). **Congress invests in CSBG with annual appropriations and regularly turns to the Community Action network in times of crisis,** providing supplemental funds for CSBG to help low-income communities mitigate the impact of natural disasters, the 2008-2009 recession, and most recently, COVID-19 through the CARES Act. **In the 116<sup>th</sup> Congress, 159 House members demonstrated strong bipartisan support for CSBG by cosponsoring legislation to reauthorize the Act.**

Congress established the CSBG Act in 1981, to maintain support for the Community Action network that began during the War on Poverty of the 1960s. **As outlined in law, CAAs reflect the specific needs of their communities but share a common mission and approach.** CAAs regularly assess pressing community needs and identify, develop, and coordinate solutions. They work closely with local public and private agencies, organizations, and the low-income community to maximize resources, avoid duplication and importantly, ensure accountability.

Flexible CSBG dollars support needs assessment, program design and evaluation, coordination with partners, and delivery of emergency or gap-filling services with no other funding source. In March 2020, CAAs were among the first to respond with food, resources, and emergency support when COVID-19 shut down American communities. Agencies now are conducting vaccine education and outreach, helping low-income families gain access to broadband and digital devices and working to ensure against disruption of water services. **CSBG enables CAAs to be innovative, leverage public and private resources for their communities, and cost-efficiently administer many programs—including Head Start, LIHEAP, nutrition assistance, weatherization, job training, housing, and assistance for those experiencing homelessness.**

Despite long-standing bipartisan recognition of its value, Congress has not reauthorized the CSBG Act since 1998. In the subsequent 23 years, CAAs have continued to meet the complex and changing needs of low-income people and communities, adapting to advances in technology and a growing evidence base on strategies to address poverty, and have worked collectively to modernize. **It is time to reauthorize the CSBG Act and renew our nation's commitment to reducing poverty at the local level through Community Action.**

## **CSBG Modernization Act of 2021: Key Provisions**

### ***Establishes Solid Legislative Foundation for CSBG***

- Reauthorizes the CSBG Act for 10 years, at an annual level of \$1 billion for first five years and such sums as necessary for subsequent five years.
- Retains current formula for allocating block grants to states, with increased small-state minimum when funds available for states exceed \$900 million, ensuring sufficient resources for agencies in small and rural states to mount effective programs.
- Permanently raises income eligibility to 200% of poverty line (as temporarily provided in the CARES Act) to meet increasingly complex needs of low-income people and avoid arbitrary benefit cliffs.
- Streamlines purpose of CSBG: to reduce poverty through support for activities of Community Action Agencies that improve economic security of low-income individuals and families and create new economic opportunities in the communities where they live; and specifies broad strategies to achieve purpose.

### ***Reinforces Core Principles of Community Action***

- Maintains local control of Community Action planning and activities, with broad community representation on CAA governing boards, comprehensive community needs assessments to define goals and priorities, and emphasis on extensive public and private partnerships.
- Clarifies responsibilities and strengthens expertise of CAA governing boards; emphasizes importance of local strategic planning.
- Requires state-local consultation in designating new private nonprofit CAAs and prohibits designation of new public agencies that may divert CSBG funds for other purposes.

### ***Promotes Efficiency, Performance, and Accountability at Federal, State, and Local Levels***

- Requires federal approval of state plans and ensures timely flow of funds from federal-to-state and state-to-local agencies.
- Specifies management functions at federal, state, and local levels and requires participation in results-oriented performance measurement.
- Strengthens evaluation and monitoring of state and local programs, with corrective action and enforcement in cases of state or local noncompliance with the Act.
- Focuses federal and state training and technical assistance on strengthening performance and management of Community Action network organizations.

### ***Promotes Innovation and Responds to Emerging Needs***

- Promotes innovation in the Community Action network through a federally administered Community Action Innovations Program and requires federal and state training and technical assistance to support developing and promoting evidence-based approaches to reducing poverty.
- Authorizes new Broadband Navigator Projects to be administered by CAAs.

### ***Updates the Act***

- Creates statutory definitions of numerous terms used regularly in the CSBG program.
- Deletes obsolete, extraneous, or redundant language throughout the statute.