

**NATIONAL ASSOCIATION FOR STATE COMMUNITY SERVICES PROGRAMS**

Testimony related to the

**U. S. Department of Health and Human Services**

Submitted to the

**HOUSE OF REPRESENTATIVES APPROPRIATIONS SUBCOMMITTEE ON LABOR,  
HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES**

May 6, 2002

The National Association for State Community Services Programs (NASCSPP) thanks this committee for its continued support of the Community Services Block Grant (CSBG), and seeks an appropriation of \$650 million for the state grant portion of the CSBG, the same as last year's appropriation. We are requesting flat funding this year in order to continue the efforts of the Community Services Network in assisting those families remaining on welfare with the intensive services they need to transition to work and to assist low-income workers in remaining at work through supportive services such as transportation and child care. These funds will also continue to assist states in developing services in the four percent of counties that are not currently served by the CSBG.

The FY 2002 appropriation of CSBG included language regarding the distribution of the block grant at the state level. Each state had already employed an equitable funding formula that addressed the unique circumstances of the particular state. Many of the state funding formulas were state legislated. Passing national legislation regarding the distribution of the block grant at the state level preempts the prerogative of states to distribute the funds. NASCSPP urges the committee to discourage the incorporation of authorization language in the appropriations act.

NASCSPP is the national association that represents state administrators of the Community Services Block Grant (CSBG), and state directors of the Department of Energy's Low-Income Weatherization Assistance Program.

**BACKGROUND**

The states believe the Community Services Block Grant (CSBG) is a unique block grant that has successfully devolved decision making to the local level. Federally funded with oversight at the state level, the CSBG has maintained a local network of over 1,120 agencies which coordinate over \$7 billion in federal, state, local and private resources each year. Operating in more than 96 percent of counties in the nation and serving over nine million low-income persons, local agencies, known as Community Action Agencies (CAAs), provide services based on the characteristics of poverty in their communities. For one town, this might mean providing job placement and retention services; for another, developing affordable housing; in rural areas it might mean providing access to health services or developing a rural transportation system.

Since its inception, the CSBG has shown how partnerships between states and local agencies benefit citizens in each state. We believe it should be looked to as a model of how the federal government can best promote self-sufficiency for low-income persons in a flexible, decentralized, non-bureaucratic and accountable way.

Long before the creation of the Temporary Assistance for Needy Families (TANF) block grant, the CSBG was setting the standard for private-public partnerships that could work to the betterment of local communities and low-income residents. Family oriented, while promoting economic development and

individual self-sufficiency, the CSBG relies on an existing and experienced community-based service delivery system of CAAs and other non-profit organizations to produce results for its clients.

### MAJOR CHARACTERISTICS OF THE COMMUNITY SERVICES NETWORK

**LEVERAGING CAPACITY:** For every CSBG dollar they receive, CAAs leverage \$4.32 in non-federal resources (state, local, and private) to coordinate efforts that improve the self-sufficiency of low-income persons and lead to the development of thriving communities.

**VOLUNTEER MOBILIZATION:** CAAs mobilize volunteers in large numbers. In FY 1999, the most recent year for which data are available, the CAAs elicited more than 27 million hours of volunteer efforts, the equivalent of almost 13,000 full-time employees. Using just the minimum wage, these volunteer hours are valued at more than \$141 million.

**LOCALLY DIRECTED:** Tri-partite boards of directors guide CAAs. These boards consist of one-third elected officials, one-third low-income persons and one-third representatives from the private sector. The boards are responsible for establishing policy and approving business plans of the local agencies. Since these boards represent a cross-section of the local community, they guarantee that CAAs will be responsive to the needs of their community.

**ADAPTABILITY:** CAAs provide a flexible local presence that governors have mobilized to deal with emerging poverty issues.

**EMERGENCY RESPONSE:** CAAs are utilized by federal and state emergency personnel as a frontline resource to deal with emergency situations such as floods, hurricanes and economic downturns. They are also relied on by citizens in their community to deal with individual family hardships, such as house fires or other emergencies.

**ACCOUNTABLE:** The federal Office of Community Services, state CSBG offices and CAAs have worked closely to develop a results-oriented management and accountability (ROMA) system. Through this system, individual agencies determine local priorities within six common national goals for CSBG and report on the outcomes that they achieved in their communities.

The statutory goal of the CSBG is to ameliorate the effects of poverty while at the same time working within the community to eliminate the causes of poverty. The primary goal of every CAA is self-sufficiency for its clients. Helping families become self-sufficient is a long-term process that requires multiple resources. This is why the partnership of federal, state, local and private enterprise has been so vital to the successes of the CAAs.

### WHO DOES THE CSBG SERVE?

National data compiled by NASCSP show that the CSBG serves a broad segment of low-income persons, particularly those who are not being reached by other programs and are not being served by welfare programs. Based on the most recently reported data, from fiscal year 1999:

- ◆ 70 percent have incomes at or below the poverty level; 47 percent have incomes below 75 percent of the poverty guidelines. In 1999, the poverty level for a family of three was \$13,880.

- ◆ Only 48 percent of adults have a high school diploma.
- ◆ 31 percent of all client families are “working poor” and have wages or unemployment benefits as income.
- ◆ 23 percent depend on pensions and Social Security and are therefore poor, former workers.
- ◆ Fewer than 15 percent receive cash assistance from TANF.
- ◆ 59 percent of families assisted have children under 18 years of age.

### WHAT DO LOCAL CSBG AGENCIES DO?

Since Community Action Agencies operate in rural areas as well as in urban areas, it is difficult to describe a typical Community Action Agency. However, one thing that is common to all is the goal of self-sufficiency for all of their clients. Reaching this goal may mean providing daycare for a struggling single mother as she completes her General Equivalency Diploma (GED) certificate, moves through a community college course and finally is on her own supporting her family without federal assistance. It may mean assisting a recovering substance abuser as he seeks employment. Many of the Community Action Agencies’ clients are persons who are experiencing a one-time emergency. Others have lives of chaos brought about by many overlapping forces - a divorce, sudden death of a wage earner, illness, lack of a high school education, closing of a local factory or the loss of family farms.

CAAs provide access to a variety of opportunities for their clients. Although they are not identical, most will provide some if not all of the services listed below:

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| <ul style="list-style-type: none"> <li>◆ employment and training programs</li> <li>◆ transportation and child care for low-income workers</li> <li>◆ individual development accounts</li> <li>◆ micro business development help for low-income entrepreneurs</li> <li>◆ a variety of crisis and emergency safety net services</li> </ul> | <ul style="list-style-type: none"> <li>◆ local community and economic development projects</li> <li>◆ housing and weatherization services</li> <li>◆ Head Start</li> <li>◆ energy assistance programs</li> <li>◆ nutrition programs</li> <li>◆ family development programs</li> <li>◆ senior services</li> </ul> |
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CSBG funds many of these services directly. Even more importantly, CSBG is the core funding which holds together a local delivery system able to respond effectively and efficiently, without a lot of red tape, to the needs of individual low-income households as well as to broader community needs. Without the CSBG, local agencies would not have the capacity to work in their communities developing local funding, private donations and volunteer services and running programs of far greater size and value than the actual CSBG dollars they receive.

CAAs manage a host of other federal, state and local programs which makes it possible to provide a one-stop location for persons whose problems are usually multi-faceted. Sixty percent (60) of the CAAs manage the Head Start program in their community. Using their unique position in the community, CAAs recruit additional volunteers, bring in local school department personnel, tap into religious groups for

additional help, coordinate child care and bring needed health care services to Head Start centers. In many states they also manage the Low Income Home Energy Assistance Program (LIHEAP), raising additional funds from utilities for this vital program. CAAs may also administer the Weatherization Assistance Program and are able to mobilize funds for additional work on residences not directly related to energy savings that may keep a low-income elderly couple in their home. CAAs also coordinate the Weatherization Assistance Program with the Community Development Block Grant program to stretch federal dollars and provide a greater return for tax dollars invested. They also administer the Women, Infants and Children (WIC) nutrition program as well as job training programs, substance abuse programs, transportation programs, domestic violence and homeless shelters, as well as food pantries.

### EXAMPLES OF CSBG AT WORK

CAAs and state CSBG offices work diligently to support families transitioning from the Temporary Assistance for Needy Families (TANF) block grant. Since 1994, CSBG has implemented Results-Oriented Management and Accountability practices whereby the effectiveness of programs is captured through the use of goals and outcomes measures. Below you will find positive outcomes achieved by individuals, families and communities as a result of their participation in innovative CSBG programs.

- ◆ In Minnesota, 39 community action agencies leveraged \$9 million worth of volunteer hours from local community members and CSBG consumers, thereby ensuring that low-income people have a stake in their communities.
- ◆ Of the 442 homeless households served at a community action agency in Oregon, 80 received temporary housing to meet their immediate needs and 212 obtained permanent housing in FY 2000.
- ◆ In Tulsa, Oklahoma, the Individual Development Account (IDA) Matched Savings Program at Community Action Project of Tulsa County helped low-income people become more self-sufficient by providing over 150 clients with the knowledge and means to begin to accrue assets such as homes, small businesses or capitalization, education or retirement.
- ◆ As a response to the community's need, the Fayette County Community Action Agency in Pennsylvania established the Community Medical Services clinic in 1997. This primary care center improves the conditions in which low-income people live by providing a full range of medical services, including immunization, regular exams, treatment of chronic conditions, and blood tests to patients without health insurance.
- ◆ A community action agency in Nebraska helped low-income families maintain stable housing by improving the physical condition of housing through the weatherization of 168 units in FY 2000.
- ◆ Since 1988 CAP Services, Inc. has helped over 130 low-income clients own a stake in their own community and work toward greater self-sufficiency by providing services which allow them to start up and maintain microenterprises through the use of a Virtual Business Incubator in the counties of Marquette, Outagamie, Portage, Waupaca, and Waushara in Wisconsin.
- ◆ Low-income clients in over 114 counties in Missouri received free Earned Income Tax Credit (EITC) assistance through local community action agencies. This resulted in over 1,500 low-income families with children receiving over \$2.5 million in refunds last year alone.

All the above considered, NASCSP urges this committee to maintain funding the CSBG grant to the states at \$650 million.