

ICAA's Position Concerning Reauthorization of the Community Service Block Grant (CSBG).

The Community Service Block Grant program provides core funding for the anti-poverty efforts of the national Community Action Network. As the only mandated anti-poverty network in the country, it is composed of more than 1,120 Community Action Agencies (CAA's), covering 96 percent of the counties in the United States. Through this network, CAA's have created, coordinated and delivered a broad array of comprehensive services to low-income Americans for over 30 years. In Illinois, the CSBG is administered in Illinois by the Department of Commerce and Economic Opportunity (DCEO).

Because of the vital role that CSBG funding plays in maintaining the Illinois CAA network, CSBG reauthorization is ICAA's number one federal legislative priority for 2003. In order for the Illinois Community Action Network to continue its effectiveness in alleviating poverty, CSBG must be reauthorized in a manner consistent with its original intent. In that regard, ICAA provides the following six principals that reflect its priorities for reauthorization.

1. Funding levels for reauthorization should reflect (at a minimum) level funding and every effort should be made to increase the funding levels.

Congress funded CSBG at \$650 million for federal fiscal year 2002. CSBG advocates have worked hard to maintain the funding at \$650 million for 2003 despite an administration request to cut the funding by \$80 million. ICAA believes that funding must be maintained at the annual level of \$650 million. Illinois receives approximately \$30.7 million of the total funding.

2. The CSBG rule which requires that ninety percent of the CSBG dollars be passed through states to eligible CAA entities should be continued.

Community Action Agencies were founded in the 1960's to fight the War on Poverty. CSBG funding is last remaining pool of resources that were appropriated by Congress for that effort. In keeping with the original intent of this funding, it is appropriate for CAA's to be insured to keep the substantial share of the resources. The continuation of the 90% rule will ensure the continued existence of the CAA network. Without the guarantee of CSBG funding, the CAA network would be in jeopardy.

3. CSBG reauthorization should retain language, which allots up to five percent of the block grant for discretionary purposes.

The five percent administrative allotment is essential to the efficiency, innovation, and accountability of the CSBG. Currently states use the 5 percent allotment to:

- Provide regular training and technical assistance (T&TA) to grantees;
- Maintain strong relationships with Boards of Directors;
- Provide operational support for state associations;
- Actively contribute to the national solutions;
- Provide leadership in cost effective information technology solutions;
- Develop timely and customized T&TA and training tools; and
- Provide a CSBG presence within state government.

ICAA believes the functions funded by the 5% administrative allowance in Illinois are vital to the CAA network and they need to be maintained.

4. ICAA discourages the inclusion of language regarding moving the state CSBG Offices to the Governor's office and/or into any other new location.

Presently Governors have jurisdiction to decide where within the state's organizational structure the CSBG program can be located. In order to maintain efficient use of funds, it is essential to preserve the block grant qualities of the CSBG by continuing to allow Governors to have this discretion. However, federal legislation specifying where the CSBG Office must be located within the state organizational structure would infringe upon the nature of a block grant as well as the states' prerogative and ability to do good work.

5. The CSBG legislation should retain language, which specifies that grantees of the CSBG must have governing boards, which include representation from low-income residents, elected officials, and business and community leaders.

The effective nature and essence of the CSBG and therefore Community Action comes from the fact that local decisions are arrived at locally. A diverse cross-section of community representation ensures that boards have knowledge of the needs of the particular community being served. If the CSBG Reauthorization does not retain this language the community accountability and grass roots empowerment could be lost.

6. Currently CSBG leads the way in the area of performance standards and outcome measures. Language allowing this cutting edge result oriented work to continue to be developed and implemented at the state and local level should be retained.

The six national Result Oriented Management and Accountability (ROMA) goals allow for national continuity while facilitating local control over the development of outcome measures and benchmarks. The goals are: 1) Low-income people become more self-sufficient; 2) The conditions in which low-income people live are improved; 3) Low-income people own a stake in their community; 4) Partnerships among supporters and providers of services to low-income people are achieved; 5) Agencies increase their capacity to achieve results; and 6) Low-income people, especially vulnerable populations achieve their potential by strengthening family and other supportive systems. These are essential to effectively document the services CSBG is providing for the low-income population.

7. ICAA strongly encourages the inclusion of language, which would allow states the flexibility to raise CSBG eligibility to 150 percent of the poverty line.

Allowing states increased discretion over CSBG eligibility would provide opportunities for states and their CAA networks to partner and collaborate in new and effective ways. Also, ICAA is aware of the inadequacy of the federal poverty line to actually determine who is poor. If people up to 150% of poverty were included this would facilitate an important level of flexibility in meeting local needs. Use of the self-sufficiency standard could be promoted as a more effective measurement of poverty.

8. Faith Based Organizations

ICAA respectfully reject any attempts to fund faith-based initiatives at the expense of the Community Services Block Grant. ICAA has an overall sense of concern about the administration's faith-based initiatives. As with TANF, Charitable Choice language was inserted in the Community Services Block Grant in 1998 with no hearings, no debate, and no vote. Congressional leadership at that time added Charitable Choice to CSBG in the midst of the 1998 reauthorization of very popular programs: Head Start, CSBG, and LIHEAP. Supporters of these time tested programs were unwilling to raise questions about this untested proposal, fearing they could jeopardize reauthorization in the process, or appear in some way to be opposed to the role of religious institutions in the delivery of social services.

Now that considerable debate has occurred on the so called faith-based initiative, ICAA is concerned about the Constitutional, civil rights, and taxpayer accountability implications of this measure. At the same time Community Action Agencies will continue their commitment to work hand-in-hand with faith-based organizations the same they have throughout three decades of serving the nation's poor. Faith-based organizations continue to rely on CAAs to administer the programs their congregations support; act as fiscal agents for joint projects; supply sub-grants for food, shelter, and other basic needs; and join in advocating for the community's children, minorities, homeless, and other disadvantaged populations.